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# STUDIES IN AMERICAN TRADE UNIONISM

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I

INTRODUCTION

BY

JACOB H. HOLLANDER



# I

## INTRODUCTION

DURING the past few years, the labor problem has risen steadily in relative importance in the United States, until at the present time, it may not unfairly be described as the dominant economic concern of the American people. In part this is the consequence of a temporary lull in other storm centres. The currency has been narrowly rescued from acute malignancy only to be cheerfully consigned to chronic indisposition. The tariff has passed from an economic issue to a fiscal device. The control of industrial combinations and the regulation of railroad rates are still in the outer vestibule of loose thinking and careless talking.

But much more than the lessening interest of other problems, it has, of course, been the increasing intrinsic importance of the labor question that really explains the present popular absorption in the subject. The marvellous industrial expansion of the United States in the past decade has been accompanied by a notable change in the quality of the productive factors. Labor, as an industrial agent, no less than capital, has become almost a new thing under an old name. The familiar problems of the labor world have taken on a more intense phase, and a whole array of new questions challenge attention.

Of these labor problems, trade unionism is far and away the most important. Broadly understood, American trade unionism is the American labor problem; and, in a narrow acceptation, trade-union policy and practice impinge at some point or other upon such specific social problems as immigration, child-labor, employers' liability, and methods of industrial remuneration.

Bearing in mind the absolute importance of trade unionism in American industrial life, on the one hand, and the keen popular interest in its nature and activities, on the

other hand, it is astonishing that no detailed description of American trade unionism and no adequate analysis of its operations have been forthcoming. We have had intelligent reports of particular episodes in trade-union experience. Isolated students have given faithful descriptions of trade-union conditions in specific localities. National and state bureaus of labor have made useful compilations of trade-union statistics. But nowhere has there been any comprehensive study of the history, structure, and functions of trade unionism as an actual part of the contemporary economic organism. Such an investigation as Sidney and Beatrice Webb have brilliantly achieved of trade unions in Great Britain finds no counterpart in the United States. In the main it has been foreigners, attracted by the novelty and variety of American labor conditions, that have given us such recent studies as we have.

In another place,<sup>1</sup> I have suggested the explanation of this comparative neglect—not, indeed, peculiar to trade unionism but true of other important fields of economic inquiry. That explanation was, in brief, that a score of years have elapsed since the coincidence, roughly speaking, of economic investigators and economic issues, effected a renaissance of economic study in the United States—synchronized by the organization of the American Economic Association in 1885. Within that period, every important university has found it necessary to provide more or less abundant opportunities for economic instruction; increasing numbers of capable students have gathered for training in economic investigation, and economic science in the United States has come to be studied with a vigor and an activity unequalled in any European country and unsurpassed in the case of any of the natural sciences. But the method of investigation has been narrow. On the one hand, we have permitted the Comptian influence and the "extreme Historismus" of the German investigators to justify economic microscopics; and on the other hand, dismayed by the vast area, the extensive activities, and the scattered data subject to economic

<sup>1</sup>"Political Economy and the Public" in *North American Review*, February, 1905.

inquiry, and poorly equipped both in requisite resources and opportunities, we have refrained from attempting comprehensive induction. In consequence, economic investigation in the United States, although pursued with unexampled activity, has been almost exclusively historical or institutional, on the one hand, and local or intensive on the other. Of extensive economic investigation, economic induction, in the proper sense of the term, little has been attempted and less accomplished. The historical evolution of economic institutions as revealed in more or less accessible records, the functional activity of economic organizations as displayed in limited areas—these have defined the scientific activity of the ordinary economist. Of the comprehensive study of the growth and activities of any actual part of the economic organism, we have had infrequent examples.

If the economic investigator—and, in particular, the economic investigator in the United States,—is to attain his highest scientific possibility, he must realize more fully than heretofore that there is no short-cut to economic knowledge. He must adopt a mode analogous to that employed by the physical scientist and described as extensive or experimental, rather than intensive or institutional. He must derive his subject-matter not from history alone, nor from the present experience of restricted localities; but he must observe and collate the phenomena under consideration from an area practically co-extensive with their manifestation; he must interpret each group of facts in the light of conditions prevailing in the particular place; and he must test the uniformities revealed by reference, as tentative hypotheses, to conditions in still other localities.

Moreover, it seems clear that the successful conduct of economic investigation along empirical and extensive lines must involve the use of a group of workers, instead of the individual student, as the unit of research. Until such time as the number of independent investigators has greatly multiplied or the activity of appropriate government agencies has greatly enlarged, the well-equipped department of political economy in the American university may be expected to be the prime factor in economic research. Such an economic laboratory or

seminary will include not only a directing and teaching staff and a body of students actually in residence, but affiliated workers in the field and associated beneficiaries of subventions desirous of operating from an established base. A particular body of contemporary economic phenomena will be selected for collective, rather than co-operative investigation; and specific aspects thereof will be assigned to individual workers for research in accordance with an organic plan. In regard to books and documents, the investigator must be in possession, in addition to ordinary library apparatus, of all primary documentary material relevant to his inquiry, whether it be as ephemeral as municipal reports and trade-union journals, or as unobtainable by formal request as trade agreements and corporation records. Finally, each investigator must be in command of funds sufficient to enable him to visit, and upon certain occasions, temporarily to reside in representative localities for the purpose of gathering additional evidence. Considerable aid may be expected in this direction from co-operation with governmental agencies and with endowed institutions of research. But, most of all, university authorities must recognize that "investigation funds" are as essential to scientific activity in political economy as laboratory apparatus is to chemistry and clinical provision is to medicine.

In the winter of 1902 the Economic Seminary of the Johns Hopkins University—composed of a small body of advanced students preparing for a scientific career in economic research—undertook, under the direction of the editors, an investigation of the history, activities, and influence of labor organizations in the United States, in the more extensive manner above indicated. The primary design was the development of sound method in economic inquiry; but it seemed clear that a deliberately planned, diligently prosecuted investigation of a subject of such vital importance could not be without practical as well as disciplinary results. The generosity of a friend of the University, and a grant from the Carnegie Institution, supplied the funds necessary for the inquiry.

The initial task of the Seminary was the collection of

trade-union documents—constitutions, convention proceedings, journals—designed as a documentary basis of the inquiry. In 1903 appeared, under the editorship of Dr. Barnett, "A Trial Bibliography of American Trade-Union Publications,"<sup>1</sup> cataloguing some two thousand items, since supplemented fifty per cent., in preparation for a second edition. Of this essential mass of source material, the largest part is now contained in the Seminary's own collection, carefully arranged and catalogued and steadily increasing by systematic addition.

In addition to coöperative activity, each member of the Seminary undertook the detailed investigation and study of some one carefully selected aspect of the trade-union question. The more important of these assigned topics were: the organization of labor in a representative industry, the apprentice system, labor federations, the finances of trade unions, the minimum wage, and the beneficiary features of trade unions. The range of subjects was necessarily determined by the number and quality of the student investigators available; but it was hoped that a series of such specific inquiries would ultimately make possible a comprehensive survey of the nature and functions of labor organizations.

The ordinary procedure of each investigator was first to thoroughly acquaint himself with whatever secondary material might be available. Thereafter, attention was at once turned to the actual subject-matter of investigation. Conditions in the immediate environment, Baltimore, were first studied, after which the experiences of other typical communities were examined, until sufficient data for reasonably safe generalizations had been obtained. During the summer recess, field work was carried on in favorable localities; and the data thus collected were constantly supplemented and corrected by documentary study and personal interview.

In the conduct of his specific inquiry, each investigator examined in turn the experience of a considerable number of unions in relation to that particular aspect of trade unionism with which he was concerned. At first the simpler and more

<sup>1</sup> *Johns Hopkins University Studies in Historical and Political Science*. Series xxii, Nos. 1-2 (January-February, 1904).

accessible unions were studied; but in the progress of his work, each investigator chose for minute study a particular trade union which seemed best to illustrate his special field of inquiry.

Thus the printing trade was selected as a typical industry in relation to organized labor, because of the long history, the gradual evolution, and the rich experience of the Typographical Union. The investigator of trade-union structure turned naturally to the Cigar Makers, because of the extent to which centralization has there been attained. The militant policy and the efficient resources of the Iron Molders arrested the attention of the student of trade-union finances. The experiences of the Machinists in the fixture and modification of the minimum wage proved, from the very nature of the industry, to be particularly varied and instructive. Collective bargaining was seen in highly developed form in the Typographical Union, despite the diversity of local conditions and the necessity of local adjustments and indirect central control. The study of trade agreements inevitably centred about the Iron Molders, and included of necessity an examination of employers' associations. The evolution of the apprentice system was found clearly exemplified in the Building Trades; and the same industry, by virtue of its extreme variety and the slight centralized control of the building unions, furnished admirable material for an analysis of shop rules. The beneficiary features of the Railway Unions were studied, not merely as trade-union devices, but as important social agencies. Finally, an investigation of federation in the trade-union world necessarily involved a comparative study of the two conspicuous federal types—the Knights of Labor and the American Federation of Labor.

The collection of essays constituting the present volume are the result of these studies. It should be distinctly understood that they mark a stage, and not a goal, in the inquiry. It is expected that each investigator will examine in turn the experience of all important American unions in their relation to the subject of his particular study, and such further inquiries are now actually in progress. At the same time, it seems clear that the description of the experience of

carefully selected unions, possesses enough value in itself to warrant publication. The intimacy and vividness of particular trade-union activities are not only vitally necessary elements in a comprehensive generalization, but by their very concreteness are likely to afford independent interest and instruction.

From the circumstances of their origin, it might reasonably be anticipated that the present collection of essays would be less in the nature of disconnected studies than a logically related series. It is hoped that such is actually the case, and that the eleven papers, although presented merely as "studies in trade unionism," will suggest a fairly graphic picture of the constitution and activity of typical American labor organizations. Essays II ("The Government of the Typographical Union"), III ("The Structure of the Cigar Makers' Union"), and IV ("The Finances of the Iron Molders' Union"), are studies of trade-union structure,—the first two of governmental aspects, the third with respect to fiscal organization. Essays V ("The Minimum Wage in the Machinists' Union"), VI ("Collective Bargaining in the Typographical Union"), VII ("Employers' Associations"), and VIII ("Trade Agreements in the Iron Molders' Union") —deal in logical succession with the several aspects of the primary trade-union function, viz., collective bargaining. The device of a minimum wage is fundamental to an adjustment of conditions of employment by collective deliberation. The experience of the Typographical Union clearly illustrates the development of efficient method and machinery in such deliberative adjustment. The trade agreement refers to the highest form of collective bargaining, and the employers' association is an essential instrumentality in connection therewith. Essays IX and X, dealing with apprenticeship and trade-union rules in the building trades, are studies of particular trade-union functions; while Essay XI ("The Beneficiary Features of the Railway Unions") is a description of a typical trade-union activity of social, rather than economic significance. Finally, whereas the earlier essays are concerned with national and incidentally with local organizations, in Essay XII ("The Knights of

Labor and the American Federation of Labor") attention is drawn to the highest or federal type of labor association.

The unwholesome relation which existed between political economy and the laboring class for the first three-quarters of the nineteenth century is a depressing episode in the history of economic thought. With the wage-earner, it was hatred of economic dicta and distrust of their exponents. With the political economist, it was discredit of labor organization theory and opposition to trade-union practice. The science which Pulteney, in 1797, in the House of Commons, was able to declare would, through its chief expositor, Adam Smith, "persuade the present generation and govern the next," and whose growth in popularity was such that, in 1822, Maria Edgeworth could note that it had become high fashion with blue ladies "to make a great jabbering on the subject" and to require that their daughters' governesses should teach it—had become a generation later, "the dismal science" and "the creed of mammonism." By 1850, the mischief had been done. Thenceforth, since the political economist at every turn and corner seemed to be against the working-man, the working-man would have none of the political economist. Political radicalism and socialistic agitation intensified the antipathy, until to the laboring class, economic theories seemed mere devices of capitalistic exploitation. As late as twenty-five years ago, Arnold Toynbee—that beautiful soul among social reformers of the nineteenth century—stood before a body of working-men in Bradford, England, and endeavored, as he said, "to dispel some of those prejudices which working-men in the past have entertained, and still, to some extent, entertain, toward Economic Science." He took for his subject "Wages and Natural Law," and in pointing out the natural forces which influence the position of the wage-earner for better or for worse, he entreated his auditors to believe that "Political Economy is no longer an instrument for the aggrandizement of the rich and the impoverishment of the poor."

It would be exaggeration to say that no trace of this antagonism survives. Here and there a labor leader voices cheap sarcasms as to "capitalistic universities"; and occasionally an

economic writer will formulate a one-sided, unscientific theory of wages. But in the main, there has been an extraordinary revulsion of feeling. The intelligent trade-unionist has come to realize that the purpose of the political economist is to investigate, not to advocate; and that organized labor gains nothing by dogged adherence to practices reasonably demonstrated as fallacious. On the other hand, the political economist has undergone, if not a change of heart, at least a change of method. He now recognizes that the basis of safe theorization as to labor problems must be, to a much greater degree than heretofore, qualitative data, amassed as deliberately and laboriously as chemical or physical data are collected by the natural scientist; and further that such economic inductions are of value not only as positive contributions, but as wholesome correctives of the general body of economic theory.

This healthier relation of political economist and trade-unionist has been illustrated in the present investigation by the ready access afforded by trade-unions—as, indeed, by employers' associations—to their records and proceedings. With the rarest exceptions, the officials of both classes of organizations have even strained a point in this direction, and have throughout shown the most cordial disposition to ascertain and make clear the truth.



II

**THE GOVERNMENT OF THE TYPO-  
GRAPHICAL UNION**

BY  
**GEORGE E. BARNETT**



## II

### THE GOVERNMENT OF THE TYPOGRAPHICAL UNION

THE chief point of interest in the structural development of English and American trade unions is the centralization of power in the national union. On account of the wide extent of the country and the great diversity of conditions, the process of centralization has occupied in the United States a longer period than in England, and is still far from complete in many American unions. Even, therefore, more than in England the internal history of American unions centers around the progress of nationalization. In studying this development the history of the Typographical Union is of peculiar interest. In the first place, the Typographical Union is the oldest American national trade union and its history offers a long period for observation. Secondly, the printing industry is one of the most widely dispersed of industries. The difficulties encountered by every American union in securing a centralized government, have consequently been faced in exceptional degree by the Typographical Union.

The present government of the Typographical Union is a composite of three forms of organization—the shop meeting, the local union, and the national union—which have emerged in historical sequence among the journeymen printers of North America. The earliest form of organization, the “chapel,” was the more or less permanent union of the printers working in a shop or “office.” The chapel is a very old institution and has varied widely in functions in different places and at different times, but in structure it appears to have always been a mass-meeting with an elected president, known as the “father of the chapel.” The chapel assembles at the call of the “father” and takes action on matters concerning the employees of the shop.

During the early part of the nineteenth century, associa-

tions primarily for beneficiary purposes were organized among the printers in several of the larger American cities. In the formation of these societies, shop lines were disregarded and the unit of government was the local association admitting to membership the printers residing in a particular city. Between 1830 and 1840, similar societies were organized with the avowed purpose of establishing and maintaining uniform scales and working conditions throughout the city. Differing in purposes from the beneficiary societies, they were like them in structural form.

The organization of local unions necessarily required the subordination of the chapel. The constitution of the Typographical Association of New York, adopted in 1833, made it the "duty of the father of the chapel to report the nature of any difficulty and the decision thereon to the president of the board of directors, who shall, if in their opinion necessary, bring the subject before the Association."<sup>1</sup> In 1875, the president of the International Typographical Union held as a well settled principle that "members of a subordinate union—even though they are a majority of such union—have no right in chapel meeting to take any action amending, suspending or in any way affecting the laws of such union. Such action should only be had in open meeting of the union."<sup>2</sup>

As late as 1890, however, it was declared as the sense of the International Union that "chapels may discipline by fine or otherwise any member of the union within its jurisdiction for violation of subordinate union law when the offense has a local (chapel) bearing."<sup>3</sup> The president of the International Union in 1898 asserted that this law was based on a "vicious principle by compelling subordinates to surrender their highest and most important function—their judicial authority—to chapels." He further said: "The composition of our membership and the conditions under which it labors

<sup>1</sup> "Constitution and By-laws of Typographical Association of New York, adopted 1833" (New York, 1833), p. 18.

<sup>2</sup> "Proceedings of the Twenty-third Session of the International Typographical Union" (Chicago, 1875), p. 17.

<sup>3</sup> "Proceedings of the Thirty-eighth Session" (Indianapolis, 1890), p. 38.

are such that subordinate unions cannot too jealously guard their prerogatives from the insidious encroachments of the chapels as the supersession of the union tends to disintegration.”<sup>1</sup> The law has since been repealed and in nearly all local unions the power of the chapel to discipline members is limited to violations of chapel rules not in conflict with the laws of the union. Even in such cases, the disciplined member has a right of appeal to the local union.

The proceedings of the National Union furnish abundant evidence that chapels occasionally declared strikes until a comparatively late date. In 1881, two members refused to quit work during a chapel strike in the office of the *Detroit Post and Tribune* and were expelled by the Detroit Union. On appeal to the International Union the sentence of expulsion was permitted to stand on the ground that the regulation of chapels was entirely in the hands of subordinate unions.<sup>2</sup> While in some local unions the power of the chapel to declare strikes was not fully taken away until the International Union assumed control of strikes, in the main, the firm establishment of a local union has meant the gradual reduction of the chapel to the place of a mere administrative organ.

The form of government of the local unions has remained substantially unchanged since their origin. A meeting of the union to which every member is admitted is usually held monthly and all questions—legislative, executive, and judicial—are there passed upon. The meeting tries accused members, decides whether a strike is advisable, and enacts laws for the government of the union as well as shop rules for the trade. In any important business, a committee is appointed which investigates the matter and reports to the union, but the final decision in all affairs rests with the monthly meeting. In some of the largest unions polls are opened in the union “offices” at election times and occasionally questions of great importance are submitted to a shop vote. In general, however, the monthly mass-meeting remains the ordinary organ

<sup>1</sup> “Proceedings of the Forty-fourth Session” (Indianapolis, 1898), p. 17.

<sup>2</sup> “Proceedings of the Twenty-ninth Session” (Boston, 1881), pp. 59, 61, 69.

for disposing of all business. No system of representative government obtains in any of the locals.

The duties of the officers are directly connected with the monthly meeting. The important officials are a president, a secretary, and a treasurer, who are usually elected annually. The president, except in the larger unions, is an unsalaried official. The secretary and the treasurer receive small salaries rarely exceeding \$100 per year. In some of the large unions, however, the offices of secretary and treasurer have been combined and the secretary-treasurer is paid a sum sufficient to enable him to devote his entire time to the work of the union.

As early as 1836, an attempt was made to unite the typographical societies in the United States in a national organization. At a national typographical convention held in Washington, November 7-11, 1836, a constitution was framed and submitted to the various societies.<sup>1</sup> In 1837, at New York, this constitution was amended in minor details and the National Typographical Association formed.<sup>2</sup> The Association, however, died within the year. In 1850, a call for a national convention was issued by the New York, Boston, and Philadelphia typographical unions, and on December 2, 1850, the National Convention of Journeymen Printers met in New York with delegates present from six unions located in five States. Desirous of securing a fuller representation before taking decisive action, the convention adjourned for a year without drawing up a constitution. At the convention held in Baltimore in 1851, ten unions in seven States were represented, and the convention proceeded to the formulation of a constitution for the proposed national organization. For this purpose a committee of seven was appointed. The committee finished its labors in one day, and the constitution submitted was adopted by the convention with only a few unimportant changes. The constitution thus adopted was probably the earliest constitution of an American national trade union. It remained almost unchanged even in many minor features until 1888, and its main outlines are still perceptible in the

<sup>1</sup> "Proceedings of the National Typographical Society" (Washington, 1836).

<sup>2</sup> "Letter Book of the Columbia Typographical Society" (MS.).

present constitution of the International Typographical Union. As other trades formed national unions, the constitution of the printers was studied closely and to a considerable extent imitated.

The committee which drew up the constitution of the Typographical Union borrowed almost without change, except for unimportant omissions, the constitution of the Right Worthy Grand Lodge of the Independent Order of Odd Fellows of the United States of America. No mention of this fact was made in the report of the committee, but a comparison of the two constitutions reveals such striking similarities, both verbal and general, that the connection between them can be clearly established. A single clause, taken almost at random, will illustrate their similarity. Article IV of the constitution of the Grand Lodge of the Odd Fellows read in 1851 as follows:<sup>1</sup>

“The Grand Sire shall preside at all meetings of the Grand Lodge, preserve order, and enforce the laws thereof. He shall have the casting vote whenever the Lodge shall be equally divided; but shall not vote on any other occasion. During the recess of this Grand Lodge he shall have a general superintendence of the interests of the Order and make a report to the next stated meeting of his acts and doings in relation thereto. He shall not hold any elective office in any State, district, or territorial Grand Lodge or Grand Encampment while acting as Grand Sire.”

Sec. 1, Article IV of the constitution of the National Typographical Union as originally adopted read as follows:

“The President shall preside at the meetings of the National Union, preserve order, and enforce the laws thereof. He shall have the casting vote whenever the National Union shall be equally divided; but shall not vote at other times. During the recess of this National Union he shall in conjunction with the Vice-Presidents have a general superintendence over the interests of the craft; and make report immediately upon the assembling of the National Union of his acts and doings in relation thereto. He shall not hold any

<sup>1</sup> “Journal of the Proceedings of the Right Worthy Grand Lodge of the Independent Order of Odd Fellows” (New York, 1844), p. xlv.

office in any Subordinate Union while acting as president of the National Union."

All other parts of the two constitutions show the same similarity. The seventeen articles of the Odd Fellows' constitution were condensed into ten, but the changes made were almost without exception merely verbal. Even in a matter so vital to a new organization as taxation the committee submitted to the convention a provision exactly like that in the constitution of the Grand Lodge of the Odd Fellows, viz.: that the subordinate unions should pay ten per cent. of their receipts to the national body. The convention reduced the percentage to five, but retained the basis of taxation.

In framing and adopting the constitution the convention followed closely the precedents set in the formation and adoption of the constitution of the United States. The meetings of delegates held in 1850 and 1851 were known as national conventions. The convention of 1851, after adopting the constitution, directed the national executive committee as soon as the local unions of five States should signify their willingness to comply with the requirements of the constitution, to issue a circular announcing that the National Typographical Union had been formed. In 1852, when the elected officers had taken the oath of office, the convention by a formal resolution assumed the title of the National Typographical Union.

The constitution as submitted by the committee provided for state unions to correspond to the state grand lodges of the Odd Fellows, but the non-existence of any such bodies led the convention to make the local, or as they were now called, subordinate unions, the constituent elements in the National Union. The first article of the constitution provided that all subordinate unions should "assemble under the warrant" of the National Union and that the Union should "possess inherent power to establish subordinate unions." The constitution did not define the jurisdiction of subordinate unions, and from time to time the subject has engaged the attention of the National Union. Two interesting problems have presented themselves in this connection.

In the first place, the Union only after some years reached a satisfactory conclusion with respect to the territorial extent

of the jurisdiction of subordinate unions. As early as 1856, the Union embodied in its constitution the rule that only one subordinate union should be chartered in each city.<sup>1</sup> The implication involved—that a union might be established in each city—has not always been followed. An application for a charter from Brooklyn printers was refused in 1860 until a satisfactory understanding was reached with reference to jurisdiction over printers residing in Brooklyn and working in New York.<sup>2</sup>

In 1871, the International Union gave each subordinate union jurisdiction "half-way between its own location and that of a sister union."<sup>3</sup> When in 1874 the New York union protested against the issue of a charter to Brooklyn printers, the president of the International Union decided that the charter of the Brooklyn union should be revoked. He held that the law granting a union "half-way jurisdiction" made necessary the consent of an existing union before a new union might be established in territory contiguous to it, even if the new union was located in an incorporated town.<sup>4</sup> The National Union shortly became convinced of the inexpediency of permitting subordinate unions to determine the propriety of establishing new unions, and in 1876 the jurisdiction of subordinate unions was limited to the "corporate limits of the city or town named in its charter." Although this rule remains in force, the International Union at various times has extended the jurisdiction of particular unions over contiguous territory. Thus in 1886, the Meadville (Pa.) union was given jurisdiction over all Crawford County. The president of the International Union since 1887 has had power, upon petition,<sup>5</sup> to extend the jurisdiction of the subordinate unions over adjoining towns where no unions exist. Such extensions of jurisdiction have only been made under exceptional circumstances.

<sup>1</sup> "Proceedings of the Fifth Session" (Memphis, 1856), p. 2.

<sup>2</sup> "Proceedings of the Ninth Session" (Boston, 1860), pp. 14, 52, 57.

<sup>3</sup> "Proceedings of the Nineteenth Session" (Philadelphia, 1871), pp. 36, 38.

<sup>4</sup> "Proceedings of the Twenty-third Session" (Chicago, 1875), p. 14.

<sup>5</sup> "Proceedings of the Thirty-fifth Session" (Chicago, 1887), p. 67.

The central principle influencing the Union in its policy of giving each union jurisdiction over an entire city has been the desire to avoid competition between the unions. Where a separately incorporated town is so close to a larger city that the two form an economic unit the Union has frequently refused a charter to the smaller city. A case of this kind came before the Union in 1900. The W. B. Conkey Company of Chicago removed its plant to Hammond, Ind., a town near Chicago. The Chicago union, thereupon, secured from the International an extension of jurisdiction over that place.<sup>1</sup> In 1903, the Conkey Company asked for the establishment of a separate union and agreed, in that case, to pay a minimum wage of \$18 per week. The Chicago union insisted that the establishment of a union so near, with a lower scale, would threaten the maintenance of their scale, and the charter was refused. Acting on the same principle the Union has decided that "where a city is absorbed in the corporation of another and where a union exists in both, the smaller union shall be merged in the larger." The first case in which a question of this kind arose came before the Union in 1891, when the town of Lake was annexed to Chicago.<sup>2</sup> The law then adopted has remained in force.

A more difficult problem has been presented at times by the insistent demand for the organization of certain classes of members into separate subordinate unions. The first charters for separate unions were granted to female compositors. As early as 1854, the Union discussed the problem of the "woman printer" and adopted a resolution that the Union would not "encourage by its acts the employment of female compositors." As the number of female compositors increased, the Union became desirous of organizing them, but women were reluctant to join the existing unions. At the seventeenth session, held in 1869, a petition was received from a number of female compositors in New York asking that they be granted a charter. In the hope that women printers might thus be unionized, the National Union amended its constitu-

<sup>1</sup> "Proceedings of the Forty-sixth Session" (Indianapolis, 1900), p. 51.

<sup>2</sup> "Proceedings of the Thirty-ninth Session" (Boston, 1891), pp. 109, 175.

tion so as to permit separate unions of female compositors. Provision was made, however, that the consent of the subordinate typographical union, located in the city, must first be obtained.<sup>1</sup> After several years' experience under this law, the committee on female labor reported to the nineteenth session of the Union: "We are convinced that the experiment has resulted unsatisfactorily,—chiefly because a difference has existed between the two scales of prices." In 1873, the Union abandoned the plan of granting separate charters for women's unions. The problem of the woman printer has remained, but its solution by the formation of separate unions has never since been attempted.

The granting of separate charters to printers of foreign languages did not engage the attention of the Union until 1869, when the National Union became the International Union and its jurisdiction was extended over British North America. In order to induce the French printers to throw in their lot with the International Union the constitution was amended so that charters might be "granted to seven or more printers of any one foreign language."<sup>2</sup> The immediate outcome was not happy. The French printers' union of Montreal—known as Jacques Cartier Union, No. 145—became involved in difficulties with the English union of that city, and the quarrel was dragged through several sessions of the International Union. A referee was finally appointed, on whose advice the charter of Jacques Cartier Union was revoked. The two elements did not agree and united in a successful appeal to the International Union for the restoration of the charter of Jacques Cartier Union.

The difficulty in Montreal appears to have been due to the fact that part of the members of each union set matter in both English and French and competition with underbidding resulted. The same conditions do not appear to have existed in other cities where unions of printers of foreign languages have been formed. In 1893, the Typographical Union amalgamated with the Germania Typographia, a national union of

<sup>1</sup> "Proceedings of the Seventeenth Session" (Cincinnati, 1869), pp. 39, 41.

<sup>2</sup> *Ib.*, p. 41.

German printers, and the subordinate unions of the *Typographia* became subordinate unions of the *Typographical Union*. Unions of printers of other languages have been organized from time to time. In October, 1904, the subordinate German-American unions numbered twenty-five. In New York there are separate unions for Hebrew, Bohemian, Italian, and Slavonic printers, and in Chicago, the Bohemian, Norwegian, Polish, and Swedish printers have separate unions.

Two reasons have influenced the International Union in granting separate charters to unions of printers of foreign languages. In the first place, many such printers do not understand English well enough to take part in the meetings of the English unions. Secondly, the same scale cannot always be maintained in the foreign-language offices. The policy of separate unions for printers of a foreign language has, however, been regarded as desirable only where clearly necessary. Where there are only a small number of such printers they are required to join the English union. Thus in Philadelphia, Baltimore, St. Louis, and San Francisco, the only unions of foreign printers are the German-American unions.

At the time the *Typographical Union* was formed the trade of the printer was as yet undivided, except in the largest cities, where the pressmen constituted a distinct class of workmen. During the succeeding fifty years, new trades distinct from that of the compositor have been created in the printing industry by the introduction of machinery and new processes. The workmen in these trades have from time to time secured charters for separate unions. The first case of this kind to which the attention of the Union was directed, was that of the pressmen. The National Union, in 1858, recommended subordinate unions "to unite with pressmen in membership being regarded in every sense of the word as *printers* by the National *Typographical Union*." At the sixteenth annual session, in 1868, the National Union "requested subordinate unions to so frame their constitutions that there shall be no distinction made between compositors and pressmen as to eligibility for membership."<sup>1</sup>

<sup>1</sup> "Proceedings of the Sixteenth Session" (New York, 1868), p. 66.

Proposals for separate unions for pressmen were made at several sessions of the Union, and in 1873 the pressmen belonging to Columbia Union petitioned for a charter. They asserted that their "interests were frequently overlooked if not disregarded" by the compositors. In confirmation of this claim they said: "We have had four cases where men have been forced upon us who were not entitled to the protection of the Union, it being a matter of policy as stated in one case and simply being outvoted in the others."<sup>1</sup> They further stated that in some unions pressmen were not admitted and in others the unions "*do not or cannot* force them to join." These representations induced the Union to amend its constitution so as to permit separate unions of pressmen.

Stereotypers' and bookbinders' unions were organized in 1885 and 1886 and at various times workmen of other trades regarded as distinct from that of the compositor have been given the right to organize separate unions. Since the withdrawal of the pressmen, bookbinders, and stereotypers to organize independent national unions, the subordinate unions of specialized workmen are comparatively unimportant. The mailers, typefounders, and reporters have in a few places unions subordinate to the Typographical Union, but they form only a small part of the total number of subordinate unions. Thus, in 1904, out of a total of 692 unions, there were twenty mailers' unions, five typefounders' unions, and sixteen newspaper writers' unions.

The Union has been reluctant to recognize subdivisions in the compositor's craft by the creation of separate unions. Of the 692 unions active in October, 1904, over 550 were unions of the same general character. The typical subordinate union is made up of hand compositors, machine compositors, machine tenders, and proofreaders. Agitation for separate unions for some of these classes has arisen at different times. The book and job printers in some cities have on occasion asked for separate charters. The employing book and job printers complain that the newspaper printers control the unions in the larger cities and have demanded that the book and job printers

<sup>1</sup> "Proceedings of the Twenty-first Session" (Cincinnati, 1873), pp. 12, 35, 64.

be organized into separate unions. The International Union has steadily resisted these efforts. The maintenance of a common apprenticeship for all classes of compositors has been the chief support of this policy. When the linotype was first introduced, it was proposed that the machine compositors should be organized separately, but the central point in the Union's machine policy—the requirement of an apprenticeship at hand composition for machine compositors—forbade the segregation of the machine compositors.<sup>1</sup> The inclusion of the proofreaders has its root in the same desire to maintain a common apprenticeship for all classes in the trade.

The requirement that the machine tenders shall join the compositors' unions has a different basis. The machine tenders for the most part are machinists, and when the machines were first introduced many of them belonged to machinists' unions. The compositors felt themselves dependent to an intolerable extent upon these workmen and after some hesitation required them to join the typographical unions in order that they might control them. This course involved them in difficulties for some years with the International Association of Machinists, but they succeeded in enforcing the rule.

The policy of the Union in maintaining composite unions has the great advantage of securing unanimity of interest in the composing rooms. Compared with many American unions the Typographical Union has had few perplexities in reconciling the interests of the various subdivisions and such devices as the district councils of other trades have been unnecessary. The common apprenticeship for which they have striven has given solidarity of feeling. One unfavorable result of this policy has been that in the larger unions the number of members is so great that the monthly mass-meeting is likely, on occasion, to degenerate into a turbulent mob. It is obviously impossible for the six thousand members of the New York Typographical Union to pass upon affairs of great importance in mass-meeting. The use of the referendum in large unions has aided the International Union in maintaining its policy of one union to a city.

<sup>1</sup> See Barnett: "Introduction of the Linotype," in *Yale Review*, November, 1904.

At intervals during the history of the Union provision has been made for the formation of state unions, but these bodies have never been charged with large powers, nor have they ever been recognized as elements in the government of the Typographical Union. The increasing competition in recent years between cities has led to frequent conferences of unions located in the same section, and present trade tendencies make it likely that some form of district organization will emerge in the future. But at present, as at the origin of the Union, the subordinate unions remain the structural units in the International Union.

The distinctive characteristic in the government outlined by the constitution of 1852 was the predominance given a representative annual assembly known as the National Typographical Union, corresponding to the Grand Lodge of the Odd Fellows. This body was given "exclusive jurisdiction." It was made the "ultimate tribunal to which all matters of general importance" were to be referred, and its "decisions thereon" were to be "final and conclusive." It had power to elect its officers, to pass laws "in regard to all matters pertaining to the craft" and to decide all judicial questions. Legislative, judicial, and executive powers were thus conferred on a single body. The general plan of the constitution of the Grand Lodge of the Odd Fellows fitted in well with the vague aims of the founders of the Typographical Union. The Odd Fellows have always had a highly decentralized form of government and the central organization designed by the Typographical Convention of 1851 was not intended to be other than legislative and judicial. The powers which it was believed such a union could beneficially exercise were very largely such as were exercised by the Grand Lodge of the Odd Fellows. A government by a kind of supreme council consequently answered every purpose. Furthermore, the government of the National Union corresponded closely to the form of government to which the printers had long been accustomed in their local unions—a mass-meeting in which every member had a vote on all questions.<sup>1</sup>

<sup>1</sup> Slawson: "A Brief History of the National Typographical Union,"

The members of the National Union were the representatives from the subordinate unions. Originally each subordinate union—large and small alike—was entitled to send three delegates. In 1869, the basis of representation was altered in such a way that the delegates allowed a union ranged from one to four according to the number of its members. This change was sturdily resisted by many representatives who held to the traditional theory that the National Union was a federal council in which all subordinate unions should stand on an equality. Twelve of the delegates in a written protest declared that the change "virtually deprived the smaller unions from representation." The basis of representation has, however, remained unchanged since 1869.

Even since the reduction in their representation, the number of delegates allowed the smaller unions is out of all proportion to their membership. As a matter of practice, however, they are by no means fully represented at the sessions of the International Union. The Typographical Union has steadily defeated all proposals looking to the payment of representatives from the International treasury, and the small unions are for the most part unable to pay the expenses of delegates unless the session is held in their vicinity. Partly in order to enable them to be represented at intervals, the sessions are held in different sections of the country in successive years. With the same design, proposals have been made at frequent intervals for systems of district representation. The Union has never tried any thoroughgoing expedient of this kind, but since 1887, two subordinate unions may join in sending a delegate. The unions have not availed themselves of this plan to any considerable extent, and usually less than one-third of the subordinate unions are represented. At the Washington session held in 1903, for example, only 180 subordinate unions out of 695, or 26 per cent., were represented. The 180 unions represented had, however, 33,486 members, or 72.5 per cent. of the total membership.

Following the precedent set by the Odd Fellows and similar societies the Typographical Union for many years permitted published as an appendix to "Proceedings of the Seventh Session" (New York, 1858), pp. 33 *et seq.*

proxy representation. The original constitution required only that delegates must be "members in good standing in some union." Subordinate unions, unwilling or unable to send delegates, appointed as their delegates members of other unions in or near the place where the session of the National Union was held. This practice led to grave abuses in the hands of ingenious union politicians, and in 1869 proxy representation was abolished. Since that time the delegates have been required to be members of the subordinate union they represent.<sup>1</sup>

During the period from 1852 to 1885, the functions of the National Union were almost entirely legislative and judicial. The chief purpose in the formation of the Union was the establishment of a system of rules under which membership might be transferred easily from one local union to another. The desirability of some arrangement of this kind was greater in 1850 than in later years. Printing products are not standard goods like the goods produced by the cigar maker or the coal miner. They are made to order and the taste of the customer must be consulted. In the absence of cheap means of communication, work ordinarily had to be done in the vicinity of the consumer. As a consequence, demand in any particular locality varied greatly. During the sessions of the state and national legislatures, for example, it was formerly customary for printers to come to the capital city. Migration was, therefore, common among printers.

The local unions appreciated the aid in maintaining their scales of prices which a national union might afford. Since the influx of printers from other cities was the usual cause of defeat in strikes, the free passage of members from one local union to another promised, by inspiring a national solidarity of feeling among union printers, to be an effective aid in collective bargaining. If a member "ratted" within the jurisdiction of one local, he might under a national system be effectively debarred from working in the "offices" under the jurisdiction of other local unions. The local unions had for many years notified sister societies of the names of "rattling"

<sup>1</sup> "Proceedings of the Seventeenth Session" (Cincinnati, 1869), pp. 17, 59.

members. Under date of November 2, 1816, in a letter to the Columbia Typographical Society of Washington, the Albany Society gave the names of six of its members who had "ratted."<sup>1</sup> The Columbia Society frequently sent out to other unions lists of its prices, with the request that members of other societies would not engage to work in Washington at less than the scale. The desire to reduce this irregular and voluntary coöperation to a systematic form was the chief motive leading to the unsuccessful attempt to found the National Typographical Association in 1836.<sup>2</sup> At the second session of the convention in 1837 the issue of "cards" for travelling members was determined upon.<sup>3</sup> The failure of the local unions to join the Association prevented a trial of the plan.

The earliest and for a long time the only laws enacted by the National Union were rules governing the transfer of members from one union to another. Briefly summarized these regulations were as follows: The National Union issued to subordinate unions "cards" which entitled the bearer to "the friendship and good offices of all unions under the jurisdiction of the National Typographical Union." No person coming from the jurisdiction of any subordinate union without a "card" was to be admitted to any other union unless a satisfactory explanation was given. A printer with a "card" was not required to pay an initiation fee. Year by year the National Union elaborated a code of laws decisive on every question likely to arise in connection with the "card" system.

Since a "card" issued by any subordinate union must be received by every other union, the National Union was forced, on occasion, to take cognizance of the conditions required for membership by the subordinate unions. The Union did not lay down in specific terms the qualifications of members and repeatedly declared that each subordinate union was "sov-

<sup>1</sup> "Minutes of Columbia Typographical Society," Vol. 1 (MS.).

<sup>2</sup> "Proceedings of the National Typographical Convention" (Washington, 1836), pp. 12, 13.

<sup>3</sup> "Minutes of Columbia Typographical Society," Vol. 2 (MS.).

ereign in deciding the qualifications of its members,"<sup>1</sup> but in certain concrete cases it was obliged to interfere. Thus in 1868, on account of the unwillingness of many subordinate unions to readmit offenders against union rules the National Union required by proclamation that all printers expelled or suspended should be readmitted on application made between September 1st and December 1st, 1868.<sup>2</sup> In the same way, the working of the "card" system involved the Union in a discussion of the advisability of admitting negroes to membership. The Union by a decisive vote refused in 1871 to permit the subordinate unions to decline to receive a negro member's "card."

From time to time, important trade questions, such as apprenticeship, length of the working day, and the standard of type, were discussed by the Union and its opinion formulated in what were known as general laws, but the laws governing such questions were nearly always mere recommendations to the subordinate unions and so phrased. In the ten pages covered by the laws of the International Union in 1884, practically the only mandatory laws were those concerning the "card" system and its kindred subject, membership.

The judicial power of the National Union theoretically covered every question which a subordinate union or any member of a subordinate union might submit. In the earlier years the Union refrained from deciding questions other than those concerning the "card" system. Indeed, the appeals were not so much questions as to the interpretation of the law, as complaints that the laws were violated—a form of indictment. The only penalty prescribed, until a late date, for violation of the laws was the expulsion of the subordinate union. The Union ordinarily contented itself with ordering the offending union to obey the law. Appeal cases were tried by a committee appointed at each session of the Union. The report of this committee was approved or disapproved by the Union.

The officers of the National Union, as constituted during the period from 1851 to 1885, were merely an adjunct to the

<sup>1</sup> "Proceedings of the Tenth Session" (Detroit, 1864), p. 13.

<sup>2</sup> "Proceedings of the Seventeenth Session" (Cincinnati, 1869), p. 9

annual sessions of the Union. They consisted at the outset of a president, two vice-presidents, a corresponding secretary, a recording secretary, and a treasurer. In 1854, the offices of recording secretary and treasurer were amalgamated. Only the president, the corresponding secretary, and the secretary-treasurer had any duties. The officers were elected by the convention and held office for one year. An illustration of the small importance of the officers in the government of the Union is furnished by the varying regulations concerning the time at which they assumed office. Originally, they "entered upon their duties at the termination of the session at which they were elected." Frequently, however, the Union found itself without some of the officers at its next session; moreover, each session of the Union desired to have officers of its own election in charge. By a change made in 1854, officers were elected at the beginning of the session and held office until the beginning of the next session. In order to secure the presence of the secretary-treasurer at the ensuing session an amendment to the constitution provided that he should be paid his travelling expenses.

A purely legislative and judicial body had few duties for its officers to perform. The issuing of charters and cards, the preparation of the convention proceedings for the press, and the collection and disbursement of the small revenue needed for these purposes constituted the duties of the president and secretary-treasurer during the first period of the Union's history. The salaries of the officers varied from year to year, being fixed by the Union at each session. During the early years, the salary of the secretary-treasurer was ordinarily \$100. The president was also customarily voted a small sum of money. From 1850 to 1885, only five presidents held office for more than one year, and of these, only one for more than two years. In thirty-five years, the Union had twenty-eight presidents. The tenure of the other officials was correspondingly short.

The only considerable expansion in the functions of the International Union prior to 1884 was an increase in the judicial power. This development necessitated the enlargement of the duties of the president. In 1869 when the new

constitution of the International Union was adopted the president was given authority to decide "all doubtful questions that may arise in subordinate unions and all questions about the jurisdiction of the International Union and generally all questions that have not been clearly defined in the constitution and by-laws." These decisions were to stand until reversed by the Union.<sup>1</sup> Beginning with 1874 the president's decisions were annually submitted to the Union and those approved became general laws of the Union. In that year, the number of laws was increased at a single stroke from fourteen to thirty-one by the addition of presidential decisions. At each session new decisions were added to the general laws. A statement of the increase in the number of laws exaggerates, however, the development of the power of the International Union. Many of the new laws were mere interpretations of old ones and the others were of minor importance. But the extension of the judicial power of the National Union did tend to produce a certain uniformity in usage in the subordinate unions.

Almost from the origin of the Union, the extension of its functions in various directions was frequently urged by the more aggressive officers. In 1867, President Oberly pointed out in forcible terms the weakness of the National Union, declaring that the card system was the "only legislation that had in any great degree had a tendency to bind together union printers with the bonds of fraternal communion and friendly alliance." He advocated a new constitution, the creation of a national strike fund, and the establishment of a periodical publication devoted to the interests of the Union. These far-reaching proposals were the subject of bitter debate for several years, but failed of adoption.

Since 1884, the power of the International Union has been gradually increased in various ways: (1) The International Union has assumed active control of the work of organizing new subordinate unions. (2) The support of strikes and the supervision of collective bargaining have become International functions. This movement has been chiefly due to the decreasing cost of transportation and to the formation of em-

<sup>1</sup> "Proceedings of the Seventeenth Session" (Cincinnati, 1869), p. 43.

ployers' associations. (3) While still leaving the subordinate unions large powers, the International Union, during the past twenty years, has greatly increased the scope of its general laws. This tendency has been in large part the result of the invention of new processes. Confronted by new conditions, the compositors have been forced, in order to present a solid front, to transfer to the International Union the control of many matters formerly considered within the jurisdiction of the subordinate unions. The nationalization of the industry has made for a centralized government of the Union. (4) Finally, in the establishment of the Printers' Home and a system of death benefits, the International Union has assumed beneficiary functions of great importance. The increase in functions is reflected in the successive increases in the annual per capita tax, the chief financial resource of the Union. Prior to 1884 this tax never exceeded twenty-five cents. In that year it was raised to forty cents; in 1887 to \$1.20; in 1891 to \$1.80; in 1892 to \$3.00; in 1896 to \$3.60; in 1903 to \$4.20 and in 1904 to \$4.80.

The assumption of new functions has entailed important modifications in the government of the Union. Since 1884 the annual meeting of representatives—the single organ of government in the original structure—has been partly supplemented and partly replaced by other institutions. These innovations have been: (1) The introduction of the referendum and of popular elections. (2) The enlargement of the power of the officers.

(1) The original constitution of the Union provided that any amendment offered at one session might not be considered until the next stated meeting. The early advocates of reorganization found this provision an obstacle to any radical reform. In 1876, they succeeded in securing a relaxation of the rule so that an amendment to the constitution might be adopted immediately if it received a unanimous vote. Six years later, the vote necessary to adopt an amendment immediately was reduced to four-fifths, and when the constitution was thoroughly revised in 1884 the law was changed so as to require only a two-thirds majority.

When, however, the power of the International Union began

to increase, the delegates felt the need for some method of ascertaining the popular will on important questions. Having abandoned the reference to the subordinate unions, they now turned to the direct vote of the members. In 1887, the abolition of piece work in book and job rooms and, in 1888, parts of a new constitution were submitted to the referendum. In 1889, the referendum was made a regular part of the Union's governmental machinery. Provision was made that all amendments to the constitution and all laws involving increased taxation should be submitted to a vote of the members of the subordinate unions.<sup>1</sup>

A prime motive in the introduction and extension of the referendum has been the desire to further the movement toward centralization. By the use of the referendum, a direct bond was established between the individual members and the National Union. The advocates of extreme centralization have therefore always been the advocates of the referendum. In 1896, President Prescott gave this argument clear expression: "I cannot refrain," he said, "from submitting as an all-sufficient answer to those who argue that the referendum is inefficient, that though conventions at various periods adopted strike-benefit laws, the membership paid no heed whatever until the present law was adopted by popular vote; the same is true of all other International laws: those securing popular approval on a general vote are the ones most easily obeyed and enforced. As practised with us, representative government—even though the convention's functions are reduced almost to those of a deliberative body—is a farce, many unions being financially unable to support a delegate, and the larger ones being apportioned such a small number of delegates that it is possible for four unions of seven members each to thwart the wishes of our largest subordinate body numbering thousands of members."<sup>2</sup>

During the period from 1890 to 1896, the initiative and referendum seemed about to entirely supplant the convention. In 1893, it was provided that any subordinate union might

<sup>1</sup> "Proceedings of the Thirty-seventh Session" (Indianapolis, 1889), p. 51.

<sup>2</sup> "Proceedings of the Forty-third Session" (Indianapolis, 1896), p. 13.

propose amendments to the constitution or general laws. Such propositions were to be published in the *Journal*, the organ of the Union, and if supported by twenty unions, were to be submitted to a general vote. Three years later the number of supporting unions required was reduced to five. The executive council of the Union was given the power to submit questions of great urgency to the vote of the membership. These changes so reduced the legislative power of the annual meeting that in 1894 the sessions were made biennial. The movement culminated in 1896 when the Union voted to do away with regular sessions, it being provided that a session might be called by a majority vote of the membership. This measure was carried by a small majority when submitted to the popular vote.

The victory of the referendum was only temporary. Almost immediately the defenders of the convention form of government secured the re-submission of the question and in October, 1897, the membership voted to return to the biennial convention system.<sup>1</sup> The vote was again very close, and other propositions looking to a restoration of the convention's old power were overwhelmingly defeated. The members refused to abolish the referendum or to increase the number of unions required to initiate legislation. Since 1897, however, there has been a steady movement in the direction of limiting the use of the referendum and of nominally restoring the convention to a considerable place in the governmental machinery. The number of supporting unions required to initiate legislation has been increased to fifty, and in 1898, the Union voted to return to the system of annual conventions. When the laws were revised in 1901, a large part of the constitution was transferred to the general laws. By this means the constitution was reduced from forty pages to sixteen. Since general laws not involving increased taxation are not necessarily submitted to the referendum, the required use of the referendum was proportionately decreased, and the legislative power of the convention partially restored. While in 1894-1898, it was not unusual for thirty propositions to be submitted to the members after a session of the Union, in 1903, a typical year,

<sup>1</sup> *Typographical Journal*, Vol. 12, p. 95 *et seq.*

only eight proposals were submitted. Even, however, when not constitutionally bound to do so, the convention still submits all important laws and projects to the referendum.

The referendum did not arouse the general interest which its advocates had anticipated. In the early years of its introduction when the propositions submitted rarely amounted to less than twenty, less than one-third of the membership took the trouble to vote. Since the reduction in the number of propositions, a larger part of the members express their opinions at the referendum. In 1903, over 20,000 members, or about half the membership, participated. The increased interest shown is partly due to greater familiarity with the system, but partly also to the smaller number of issues presented for decision.

The theory that the National Union was distinct from the general membership found expression in the rule that only delegates were eligible to office. As a consequence, if the president or secretary-treasurer failed to be elected as a delegate by his subordinate union, he could not be re-elected to his office in the Union. In 1886, the convention re-affirmed this rule in the case of Secretary McIntosh, who was declared ineligible for re-election on the ground that he was not a delegate.<sup>1</sup> This restriction, which had hitherto rested upon an interpretation of the general spirit of the constitution, in 1887 was incorporated in the constitution in explicit terms. As the duties of the officers increased, continuity in office became important. The convention still refused to abdicate its exclusive right to the offices and rejected, in 1889, a resolution to make all members of subordinate unions eligible to election as officers in the International Union. It made a concession, however, in 1891, by providing "that any officer shall be eligible to re-election to office even though he has not been returned as a delegate."

The exclusiveness of the convention could not stand long in the way of the movement toward the nationalization of the Union. In order to secure the fullest participation of the individual member in the government of the International,

<sup>1</sup> "Proceedings of the Thirty-fourth Session" (Washington, 1866), p. 15.

the advocates of a highly centralized union urged that the control of the offices should be transferred from the convention to the membership at large. The president of the Union, in advocating this change, said: "The most important duty of the delegates is the election of officers, which is rightly a prerogative of the membership, and the only explanation of why an entire convention is debarred from changing a word in the constitution but a majority of the delegates can elect officers, is that the custom had its birth when the International offices were merely honorary positions. . . . Under this method the election would be freed from the rancor, bitterness, misrepresentation and tirades which are too frequent adjuncts of our elections now."<sup>1</sup> The convention held in Colorado Springs in 1896 made all members of subordinate unions eligible to the offices of the International Union and gave the right of electing the officers to the membership at large.

(2) The discharge of the new functions assumed by the International Union necessitated an increase in the duties of the officers. The Union at first attempted to meet the new needs by the creation of new offices. When it was proposed in 1868 that a special official should be employed to organize new unions, the committee appointed to consider the subject reported to the twenty-sixth convention that the funds on hand were not sufficient to warrant the adoption of such a measure. In 1882, deputies were appointed by the president, one in each State and Territory, whose duty it was to organize unions, but no provision was made for paying these officials. The president of the Union urged the appointment of a paid official to carry on this work and in 1884 the Union created the office of chief organizer, with a salary of \$1000 and expenses.

The growing importance of the executive business of the Union, due partly to the rapid increase in the membership, but chiefly to the addition of new duties in connection with the organization of new unions and the supervision of the strike benefit, led to a radical reorganization of the official staff in 1888. Minor attempts in this direction had already been made. Thus in 1887, the office of corresponding secre-

<sup>1</sup> "Proceedings of the Forty-third Session" (Indianapolis, 1896), p. 12.

tary had been consolidated with that of secretary-treasurer. The chief feature of the new constitution adopted in 1888, was the establishment of the officers as a distinct part of the government. Headquarters were established in Indianapolis and the president and secretary-treasurer were voted salaries sufficient to enable them to devote their entire time to the work of the Union. The office of chief organizer was abolished, and his duties imposed upon the president. The system of state deputies was abandoned, the country divided into seven districts and an organizer elected for each district.

Every increase in the functions of the Union has tended to enhance the importance of the president and the secretary-treasurer. They administer the strike benefit and the burial benefit, and supervise the organization of new unions. By the adoption of the rule that all appeals must first be decided by the president and that appeals from his decision to the convention must be printed, the judicial power of the convention has practically been transferred to the president.

The affairs of the Union have become for the most part so intricate that nearly all important legislation originates with the executive officials. Of nearly two hundred propositions submitted to the session of 1904, only about twenty were adopted. Fifteen of these, the really important proposals, were offered by the executive council. A few unimportant resolutions of sympathy with striking fellow unionists and some suggestions as to the management of the Printers' Home constituted the contribution of the delegates. By a law passed in 1896, a committee on laws selected by the president meets in the city where the convention is to be held three days before the Union assembles. The executive council submits to this committee its recommendations, and any subordinate union or any member in good standing may also submit propositions. This committee is far the most important of all the convention committees, and its unfavorable action offers a serious check to any measure. By the selection of conservative members for service on this committee, the president is able in nearly all cases to secure the defeat of ill-advised measures.

The convention—stripped of its power to elect officers, rarely

exercising its judicial function, with the initiation of legislation largely taken over by the officers, and with its every important legislative act subject by law or custom to the referendum—still remains an organic part of the government of the Union. A belief in the inspiriting influence of annual sessions, and a reluctance to part with a historic institution, have been partly responsible for the maintenance of the stated meetings. An additional and perhaps the strongest reason for the continuance of the convention, is the desire to exercise personal supervision of the work of the executive staff. In some American unions this duty is performed by a board, compact but large enough to be representative of the various sections of the country and divisions of the trade. When the officers were established at Indianapolis in 1888, elaborate provision was made for such an executive council. The council consisted under this law of the president, the vice-presidents, the secretary-treasurer and the seven organizers. This body was to hold stated meetings twice in each year. It was given power to decide all questions between subordinate unions, to administer the strike fund, and to have, in general, “supervision of the business of the International Union, of districts and of subordinate unions.”

The plan, however, never had a trial. The year after the passage of the law, the Union was in financial difficulties and the council held no meetings. At the next session of the Union, the president said: “In my opinion, the stated meetings of the council should be dispensed with and the section so amended, but a provision retained for assembling the Council, should extraordinary conditions require it. As at present constituted, the council is composed of twelve persons widely scattered, and as matters are frequently referred to them which should be decided promptly, much time is lost. It may be worth considering whether a smaller council less scattered would not be an improvement.”<sup>1</sup> The council accordingly was reduced in number by removing the organizers from its membership. Since 1901, it has been composed of the president, the secretary-treasurer, and the second vice-president. All of these officers are intimately associated at Indianapolis in the conduct

<sup>1</sup> “Proceedings of the Thirty-seventh Session” (Denver, 1889), p. 17.

of the business of the Union. The executive council is consequently only another name for the official staff. As a substitute for a small and representative executive council, the convention is an archaic and inefficient institution. In session for only a week, feted on every possible occasion by the entertaining union, with a membership so large as to make deliberation impracticable, the supervision which the convention can give the work of the officers is necessarily slight.

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### III

## THE STRUCTURE OF THE CIGAR MAKERS' UNION

BY

T. W. GLOCKER



### III

## THE STRUCTURE OF THE CIGAR MAKERS' UNION

THE Cigar Makers' International Union of America is a type of the American trade union of highly developed structure, supported and strengthened by a well-filled treasury and an elaborate system of benefits. The administrative machinery of the organization runs smoothly. The orders issued from the central office in Chicago are obeyed equally well in San Francisco, New York, or Toronto. The cigar makers have learnt many of the lessons of self-government, and in learning them, they have become powerful. Moreover, the structure of the Cigar Makers' Union frequently serves as a model for more recently organized national unions. The Piano and Organ Workers, for example, have borrowed from them almost bodily a constitution. In 1902, the Plumbers adopted the essential features of their financial system. Finally, in a more or less indirect way, other principles of government for which the organization has stood, have filtered down to such of the new unions as have found time amid their struggles, their blunderings, and their successes to give some thought to the actual government of their organizations. It is these facts which make a study of the development and organization of the Cigar Makers' Union peculiarly interesting and instructive.

"Where did the Cigar Makers get their system of government?" was asked recently of Mr. Adolph Strasser, who was for fourteen years president of the International Union. "Did you borrow it, or did you work it out for yourselves?" "We have done both," he replied. "We have borrowed from several sources, from the political government under which we live, but most particularly from the English trade unions. Our relations with the English unions were during the early years very close. We have borrowed from them our present financial system, and the system of popular initiative and

referendum. But these features have been incorporated into the Union only as experience has shown the need of them. Many things, moreover, we have worked out for ourselves." Development based upon necessity and expediency, modified by experience and observation,—this is the law of progress in the growth of any social institution, and this is the underlying principle in the structural evolution of the Cigar Makers' International Union.

To the casual observer, it is, nevertheless, surprising that even upon the basis of such facts, the cigar makers, many of whom are at present unskilled and poorly paid, should have evolved an elaborate and highly developed form of government. The explanation is twofold: (1). When the foundations of the organization were laid, the cigar was still made exclusively by hand and the cigar maker was regarded as a highly skilled artisan. (2). From out this body there soon emerged a group of men of remarkable administrative ability, two of whom—Adolph Strasser and Samuel Gompers—have remained associated with the history of the organization for more than thirty years, and have played no small part in determining its government.

The rise and growth of trade unionism among the cigar makers followed closely upon the sharper differentiation of employer and employee within the craft. Prior to 1861, this distinction was by no means clearly drawn. Production was chiefly for local consumption; and large factories were the exception. The manufacturer who was, as a rule, also the retailer, worked at the bench himself, and sometimes employed two or three journeymen. It required little capital to become one's own employer; the journeyman was practically independent, and, if dissatisfied with wages or conditions of labor, could readily begin business for himself. About 1850, the manufacture of cigars began to be conducted on a large scale in the principal centres of the industry, particularly in New York and Baltimore. In these cities, therefore, during the period from 1851 to 1861, the journeymen, whose status as employees had become more definitely fixed, made frequent, though often abortive attempts, to hold shop meetings and to organize local unions.

The passage of the federal revenue act of 1861 gave the industry a further impulse in the direction of concentration. That law required of each manufacturer a certain amount of freehold security. The journeyman, and even the owner of the small shop were unable to furnish this. Business was driven into the hands of the larger manufacturer, and the cigar maker became definitely an employee working for wages. In consequence, local unions, during the next few years, sprang up in all parts of the country; a national association was formed in New York City, in 1864; and the general movement towards organization, which would have probably been delayed until the introduction of machinery in the industry, in the form of "the mould" in 1870, was thus hastened by nearly two years.<sup>1</sup>

The primitive unit of government among the cigar makers, as in many American trade unions, was the shop meeting. Thus the first attempt at organization was an informal shop meeting in the factory of a cigar manufacturer named Tom Little in Baltimore, Md., on May 5, 1851. A similar movement in New York City, between 1852 and 1853, began in like manner among the employees of a shop controlled by a certain Mark Sharkey. The early records of the union suggest that other shop meetings were held, from time to time, in various places throughout New York State and New England. Our knowledge of the character of these attempts at organization is meagre. They were apparently informal gatherings of employees who had met to discuss and find redress for some specific grievance, real or fancied. The bolder spirits probably took the leadership in the meetings, and formed the delegation which visited the employer, laid before him the demands of the journeymen, and backed their demands with the threat of a strike. There was possibly some kind of control during the strike, some formally elected or self-appointed committee which by threat or persuasion kept would-be deserters in the main column, and took charge of the funds, if there were any

<sup>1</sup> "First Annual Report of the Ohio Bureau of Labor Statistics" (Columbus, 1878); *Cigar Makers' Official Journal*, Vol. 3, No. 10, p. 2; "Journal and Program of the Twentieth Session, Milwaukee, September 25, 1893" (Chicago, n. d.).

to take charge of. But, in general, our sources of information as to these beginnings are so scanty that any attempt at discussion belongs to the realm of conjectural history.

The line of demarcation between the local union and the shop meeting was not always clear nor distinct. In the main, the informal shop meeting became the local when it took on a permanent organization with permanent meeting quarters outside the factory, and a permanent form of government. In the early years, as in smaller towns even to-day, the local union among the cigar makers was limited in jurisdiction to the members or to a part of the members of a single shop. In larger cities, however, the movement rapidly spread to other factories. Thus the union established in New York City between 1852 and 1853 included, during the short six months of its existence, not only several shops in New York, but also another, possibly others, in South Brooklyn.<sup>1</sup> The local union, therefore, in such cities as New York, Philadelphia, or Baltimore, soon assumed a federative type in which the sub-units were the several shops that had been successfully organized.

As the power and functions of this federated local increased, the power and functions of the several subordinate shop meetings correspondingly declined; not, however, without a struggle. But the conflict was neither as fierce nor as sustained as the later struggle between the local and the International Union; for the interests of the cigar makers in a single locality were so closely interwoven that the advantage of united and concerted action soon became apparent. The records afford no evidence of friction either over the surrender of legislative and judicial powers by the shop meeting, nor over the assumption of new activities by the local. But in the case of certain discretionary executive acts, particularly the right of the shop to initiate a strike, it was very different. Before the local came into existence, the employees in a single shop often went out on strike, in accordance with the determination of a hastily called shop meeting. In reaching this decision, there was little or no thought given to the prospects of success, no study of the

<sup>1</sup> "Journal and Program of the Twentieth Convention, Milwaukee, September 25, 1893" (Chicago, n. d.), p. 41.

conditions within the trade, of the men out of employment, or of the general state of the market. It was sufficient that a grievance existed. But when the jurisdiction of the local union extended to other factories, and men whose judgment was not influenced by a direct sense of injury or wrong were called upon to open their purse, and to help support such hasty and unwise movements, a general demand arose that all shop strikes be submitted to the local union for sanction. The struggle lasted for some years. Thus, as late as 1880, President Strasser reported to the general convention that of all unauthorized strikes, the most dangerous were the shop strikes: "As a rule, they are inaugurated under the impulse of the moment without the slightest consideration of the situation, and without the consent of the union. After a shop has struck, the union calls a special meeting for the purpose of sustaining their action. There is no choice under these circumstances, the men having once gone out, because in fact the union fears to act otherwise. All shop strikes should cease. If a shop has a grievance, let them submit their case to the union before taking action, and thus it can be calmly discussed."<sup>1</sup>

In conformity with these suggestions of the president of the International Union, local No. 144 of New York City passed a stringent law designed to prevent the unauthorized shop strike.<sup>2</sup> It provided that when an "organized shop" went on strike without the sanction of the local union, the president of the union should request the men involved to return to work. If they refused, he should advertise for non-union men and fill their places. To ensure the president's performance of this disagreeable task, the law further provided for his removal from office should he fail to carry out the instruction, after which the same duty devolved upon the vice-president. As might have been predicted, after the passage of this law, the New York local had much less difficulty with rebellious shops. But in other places, the shop strike long continued to be a source of trouble.

But even shorn of every vestige of power, the shop still remained a distinct sub-unit in the local union. To use the

<sup>1</sup> *Journal*, Vol. 6, No. 1, p. 2.

<sup>2</sup> *Ib.*, Vol. 7, No. 11, p. 6.

biological term, the organism had become multi-cellular, and this fact had to be taken into account in constructing the machinery by which it was to be governed. This meant that each unit must be accorded representation, and that the federative character of the Union must be recognized in the system of executive administration. Thus in the by-laws of the New York local for 1876,<sup>1</sup> we find that each shop was instructed to elect a director, whose duties were twofold. On the one hand, he was the delegate of the other workmen in his factory, represented their interests on the governing board of the local which was made up of shop directors and officers of the local union, and reported the decision of that body on the following morning to his fellow employees. In this capacity, he also brought to the deliberations of the board a knowledge of conditions in the factory, and could report from time to time any unusual occurrences. On the other hand, the director was the executive head of the shop. He was empowered to call shop meetings, to collect the weekly dues, and to grant passes to members quitting the factory, and other passes to "new-comers receiving assistance."

So well has this plan worked, that the International Union still uses the shop as a unit of executive administration. The International constitution, for example, expressly requires that each shop shall elect an officer known as the "shop collector." If the shop fails to elect a collector, then the president of the International must himself appoint one. Such an officer is most needed for the collection of money due the Union. In fact, the office of collector was originally created to enforce the repayment of loans advanced to members wishing to travel in search of work.<sup>2</sup> Almost immediately thereafter, he became charged with the collection of all dues, fines, and assessments. In trade union affairs, as elsewhere, men are inclined to be delinquent in the payment of dues, fines, and assessments. If they must themselves go to the office of the financial secretary, or await the chance of meeting him by accident, such bills tend to remain unpaid. But, if the collector comes across

<sup>1</sup> *Journal*, Vol. 1, No. 11, p. 1.

<sup>2</sup> "Constitution, adopted 1879," in *Journal*, Vol. 5, No. 1, p. 3, Article 14, secs. 3-4.

the aisle to the man as he works at his bench, and gently hints that the union will make it disagreeable for him if he does not pay up, the money is usually forthcoming. As the functions of the International Union increased and as better methods developed, new duties were laid upon the collector. Among other things, he now reports all jobs open in his factory, assists in faithfully enforcing the out-of-work benefit, and in many local unions has charge of the Union label. Altogether he is an important official,—able, if a small man, to exercise many petty tyrannies; or, if broad-minded, to aid materially in keeping the wheels of government in motion.

Up to 1880, the constitution of the International specifically provided that the executive board should charter only one local union in each town or city. It was claimed in favor of this law that small locals had difficulty in meeting their financial obligations; that two or more unions in the same locality meant various or conflicting wage scales and apprentice rules; that the authority of the local union would be undermined if suspended members or a dissatisfied minority could, at any time, obtain a new charter from the International Union.

In New York and other large cities, however, the local unit tended rapidly to become too large for efficient administration.<sup>1</sup> Moreover, when several races or nationalities were represented within the local union, the friction between them threatened complete dismemberment unless a further subdivision were made. Even in the absence of positive friction, the necessity of conducting all proceedings in two or more languages was always inconvenient. The first local established in New York City, in 1852, went to pieces within six months, on account of the suspicion and ill feeling engendered between the English and German elements in the organization. Between 1875 and 1878, a union composed largely of Cuban and Spanish cigar makers was formed in New York. But when, soon afterwards, the agitation for Cuban independence began, the discussion of national and political questions was

<sup>1</sup> "Report of President to the Convention of 1883," in *Journal*, Vol. 7, No. 7, p. 3.

introduced, with the result that Cubans refused to work with Spaniards, and the union was disbanded.<sup>1</sup> In short, wherever persistent factions asserted themselves, threatening by acrimonious bickering the tranquillity of the original local, the desirability of a separate body became evident. During the socialistic troubles in New York City in 1882, it was proposed that the socialists be allowed to form a separate local. When the proposal came, however, the socialists had already seceded from the International Union. Subsequently, they became the nucleus of the Cigar Makers' Progressive Union. When the cigar packers were admitted to the Union in 1885, they demanded that all cigar packers be compelled to join a cigar packers' local union. Such a compulsory measure has never been enacted; but it is an unwritten law that whenever the number of packers in any city is sufficiently large, they shall be gathered into a local distinct from the cigar makers. In 1880, therefore, the International executive board was authorized to grant more than one charter in the same town or city, provided the union already established in such locality consented. By an amendment adopted in the convention of 1893, the executive board now possesses complete discretion to grant as many charters in the same place as are deemed expedient. As a general rule, all persons engaged in the cigar industry are, in the large cities, divided among several locals according to nationality, sub-divisions of the industry, or simply for administrative convenience. In such cases, uniformity and harmony of action are still maintained by a "joint advisory board" upon which all the local unions are represented. In the smaller localities, all elements are gathered into one local union.

The government of the early local union is surrounded in almost as much obscurity as that of the early shop meeting. Of its character during the period from 1851 to 1870, we possess no record. In 1875, the Cigar Makers began to print a trade journal, and to publish therein, from time to time, lists of newly elected local officers. These lists, especially in the case of recently organized unions, serve to throw some light on the probable government of the early local.

<sup>1</sup> *Journal*, Vol. 3, No. 10, p. 3.

Even as late as 1876, the administrative structure of the early local unions was of the simplest type. The chief officers were such as are necessary for the conduct of a general membership meeting,—a president to act as chairman, a vice-president to take his place when absent, and a secretary to record the proceedings. The executive board, perhaps the most important feature in the structure of modern trade unionism, was often wanting in the early years; certainly, in 1876 many of the newer locals did not possess such a governing board. In 1879, the International constitution<sup>1</sup> specified that each local should elect an executive committee on the ground that International business demanding the consideration of the local was not acted upon promptly. Many local unions only met once a month, and any matter arising in the interval was allowed to lie over for several weeks until the next regular meeting. But apparently so new and unfamiliar was this idea to the members of the Detroit local that the chairman of the newly elected local executive committee was instructed to write to the International president, inquiring the purpose and duties of this committee.<sup>2</sup> Other locals were probably just as ignorant.

The whole body of workmen in the local union thus early showed a tendency to retain in their own hands not only all legislative and judicial powers, but also almost all executive functions. Such an organization has been termed a primitive democracy; but it was an inexperienced and undeveloped democracy, and if in the term democracy be implied a conscious striving after self-government by the people, the phrase is inappropriate.

It was not long, however, before certain duties arose which demanded special officials for their execution. Almost from the beginning, somebody was needed to collect and take care of the union funds. As soon as the International Union was formed, some officer was required to serve as a medium of communication with the local union. The method of administering these several duties may be roughly divided into three

<sup>1</sup> "Constitution, adopted 1879," in *Journal*, Vol. 5, No. 1, p. 3, Article 16, sec. 1.

<sup>2</sup> *Journal*, Vol. 5, No. 9, p. 1.

periods. During the first period, all such duties were usually performed by one, or possibly by two unpaid officials, a secretary-treasurer or a secretary and a treasurer. During the second period, with the increase of functions and the accumulation of duties, there emerged in many larger unions a financial secretary who collected dues and kept the account of indebtedness with each member, a treasurer who deposited and became responsible for the funds, and a corresponding secretary who conducted the correspondence with the International Union. All these officers were unpaid or only nominally paid. The third period dates from the introduction of benefit features, particularly an out-of-work benefit, when the financial secretary, being obliged by the nature of his duties to remain in his office the greater part of the day and prevented from working at his bench, became in many locals a salaried officer, upon whom other official duties were often unloaded. Thus to-day in the Baltimore local, the financial secretary is also treasurer and corresponding secretary. From behind his high counter and grated windows, he receives dues and pays out benefits, devoting the intervals to bookkeeping and to union correspondence.

The gravest problems of government in the local have been those resulting from the administrative inexperience of its members. The student of trade-union development should never forget that the early unionist was ordinarily a laborer without parliamentary or executive experience. Unless he had dabbled in ward or county politics or had served as delegate to some party convention, he had little practical or even theoretical knowledge of the machinery of government. If half of the reminiscences, to be heard or read, are true, conditions in the newly organized local or in the early days of the old local were sometimes amusing, often disheartening. In the union meetings, time was wasted by windy orators in parliamentary quibbling and in discussing socialism and the rights of labor. Sometimes the union member, instead of giving proper support to his officers, criticised them unnecessarily and carpingly. Often, he allowed himself to be gulled by agitators of smooth and oily tongue.

On the side of executive administration, the greatest dif-

ficulty has been the frequent defalcation of treasurers and financial secretaries. In the trade journal of the Cigar Makers between 1875 and the creation of the office of International Financier in 1887, such notices as the following were of frequent appearance: "Gentlemen,—Be it known that \_\_\_\_\_, late financial secretary of Union No. 7 of Utica, New York, has absconded and taken nine dollars and over of assessments, and dues belonging to this union. Other unions look out for him; for he is a beat and a very smooth talker."<sup>1</sup> The causes of such delinquencies were twofold. Care or discretion was rarely exercised in the selection of men to fill important financial positions. Incompetents, "good-fellows," even total strangers of whose past nothing was known, were elected. Thus in Leavenworth, Kansas, in 1881,<sup>2</sup> an absconding financial secretary had been in town only a few weeks prior to his election. His record was by no means clear, the union of the locality he had just left having suspended him for non-payment of dues. But the Leavenworth local had reinstated him on a simple promise to pay the arrearage, and when the office of financial secretary fell vacant, had elected him to that position.

A more important cause of defalcation was the neglect of the local union to protect the funds sufficiently. The financial secretary was commonly allowed to accumulate the dues in his own hands without turning them over to the treasurer. The treasurer was permitted to deposit funds in his own name, instead of in the name and presence of trustees. Moreover, neither of these officers was required to give bond. Many locals even failed to elect an auditing committee to examine the books and accounts of the treasurer and financial secretary, and to report as to their correctness. The financial officers were permitted to report to the general meeting, where the truth could be garbled and false statements made with less fear of detection. Finally, the union was unincorporated, and legal means were not available to bring absconding officers to justice. Gradually, however, the older locals developed better

<sup>1</sup> *Journal*, Vol. 1, No. 5, p. 3.

<sup>2</sup> *Ib.*, Vol. 6, No. 6, p. 5.

systems of financial administration, and with the nationalization of union funds the International organization compelled the newer locals to adopt these precautionary measures. Moreover, after several financial secretaries had absconded with unions' funds, bitter experience taught the local unions to exercise more care in the election of trustworthy men for such offices.

The need of some tie between the scattered locals was soon felt among the cigar makers, and the formation of state and national organizations resulted. Thus in 1854, even before the informal shop meeting had completely developed into the permanent local, the cigar makers in Troy, Syracuse, Rochester, Albany, and other places throughout New York State decided in their shop meetings to hold a state convention. A national organization under the title of the Cigar Makers' National Union was formed in 1864, less than four years after the movement toward local organization had become general throughout the country.

The purposes of central organizations in the trade-union world are ordinarily two: protection of the local union against competition, and coöperation in the more efficient performance of certain functions. Among the cigar makers, it was the desire for protection against competition which led to the formation of state and national organizations. The idea of mutual coöperation only developed after the federation of the locals had taken place.

With the increase in the mobility of labor which accompanied improved means of transportation and communication, the local unions of cigar makers suffered from the competition of journeymen coming from other places. In case of a strike in Utica or Albany, the employer sent to New York or even more distant cities for "scabs" to fill the places of his striking employees; or, if the strike was successful, and wages were raised, the unemployed in New York City,—union men as well as non-union men,—hearing of it, rushed to the place, and tended to force down wages. In 1854, therefore, a New York State convention was called for the purpose of establishing a uniform scale of wages, and a uniform apprentice system by means of which the supply of cigar makers would be

everywhere generally reduced.<sup>1</sup> A scale of wages was, indeed, actually established, and was adhered to by most of the organized shops throughout the State. A uniform wage scale is also demanded when the article which the union man helps to manufacture encounters the competition of the same article produced in other places; for, in such a case, the employer will refuse to give a higher wage than that paid by his competitors. In 1854, production was, it is true, still largely for local consumption, but, though the records furnish no evidence of the fact, competition within New York State had probably become strong enough to form one of the causes leading to the establishment of a uniform wage scale. How to prevent the competition of the travelling fellow craftsman was, however, the chief problem which confronted the delegates to the first national convention of the Cigar Makers' Union which met in New York on June 21, 1864. Various expedients were tried, the most important being designed to put an end to competition between union men, but at the same time increase the mobility of union labor, by breaking down the barriers between the locals. Thenceforth, any travelling cigar maker, presenting a union card, was to be admitted without charge to any local acknowledging the authority of the National Union. The convention also passed several measures intended to stimulate the growth of unionism in unorganized cheap-labor districts, and to prevent the periodical influx of non-union men from such places.

The idea of local unions working together to resist employers or for other purposes does not seem to have appealed forcibly to delegates at either the first national convention in 1864, or at the second convention in 1865. But almost immediately after the second convention adjourned, the absence of any law providing for the support of local unions on strike was seriously felt. A protracted correspondence ensued between the National president and the National secretary; and, finally, after a personal consultation, the two officers decided upon the system of voluntary strike contribution. At a later

<sup>1</sup> "Journal and Program of the Twentieth Convention, Milwaukee, September 25, 1893" (Chicago, n. d.), p. 43.

convention, the contribution was made compulsory, resulting in the present benefit guaranteed by the International Union to members on strike.

As the advantages of collective action have appeared, other functions have been assumed by the International Union. The English beneficiary features, for example, introduced first into the locals, were finally nationalized. An abortive attempt was made in 1867 to introduce the system of loans to be advanced to members wishing to travel in search of employment. The administration of the loan system, was, however, so dishonest that in 1873 it was replaced by the so-called "endowment plan," or death benefit; but under the stress of industrial depression the "endowment plan" was also abandoned. In 1879, the loan system was permanently reestablished. The sick and death benefits were introduced in 1880, and the out-of-work benefit in 1889. Similarly the Union label first utilized by the San Francisco local cigar makers in their fight against Chinese coolie labor, was adopted by the Union in 1880. At the present time, the collective functions of the National Union overshadow in number and importance the anti-competitive features of the early organization; and it is to the advantages of such collective action that the central organization owes its present permanence and strength.

Membership in a federation usually brings with it the surrender of certain rights. In the trade-union world, this surrender of rights may be made either by the substitution of International for local law or by the internationalization of local functions. The first directly, the second indirectly, results in the centralization of power in the International Union. Legislation by the International on a matter previously regulated by the local directly involves the loss of local autonomy, inasmuch as the local must in future yield obedience to a higher law, which nullifies and renders void its own law on the subject. Such uniformity was first needed among the cigar makers to protect the local from competition. We have seen how at the very first convention, in order to prevent competition between union men, each local was directed to admit members of other locals without charge. After the internal barriers had been thus broken down, and a sort of trade-

union "zollverein" established, wherein there was perfect freedom of movement, the next step was to establish at uniform height the barriers against the admission of non-union men. Another feature of this levelling process was the uniform initiation fee; although this was not introduced until made necessary at a later period by the system of nationalization and equalization of funds. As a matter of fact, the second convention held in 1865 fixed the qualification for admission to membership in any local under the jurisdiction of the National Union. This law read: "No person shall be eligible to membership in this Union, unless he be a white male of the age of 18 years, and has served an apprenticeship of not less than three years." At the Buffalo convention of 1867, the law was broadened so that any practical cigar maker of 18 years of age who had served an apprenticeship of three years was eligible to membership. At the present day, all persons engaged in the cigar industry, except Chinese coolies and tenement-house workers, are eligible for membership. The national control of membership qualifications has not always been maintained without a struggle. In 1876-1877, several locals seceded rather than submit to the law of the International Union requiring them to admit to membership workers on the machine.<sup>1</sup>

In respect to legislation, the Cigar Makers have, however, remained less highly centralized than certain other trade unions. The regulation of wages and working conditions, with the exception of the number of hours in the working day, and the minimum term of apprenticeship, is left to the determination of the local. The convention held at Cleveland in 1881, passed a law that in no case should the hours of labor exceed ten a day; and, since May 1, 1886, an eight-hour day has been established for all cigar makers working under the jurisdiction of the International Union. The second convention held in 1865 required that no cigar maker be admitted to membership in the local union, unless he had served an apprenticeship of three years; and in 1882 a law was passed by referendum that all persons learning the trade of cigar

<sup>1</sup> *Journal*, Vol. 3, No. 10.

making must serve an apprenticeship of at least three years. The local union is also required under the present law to submit all its apprentice rules to the International executive board for approval.

The lack of other national trade rules is explained by the fact that shop conditions throughout the country vary widely. In the first place, improved methods of manufacture have not entirely displaced the hand worker. In Florida, the Cuban and the Spanish cigar makers work almost exclusively by hand; in many sections of the country, the mould is used on all cigars produced; while in Baltimore and certain other places, both hand-made and mould-made cigars are turned out by the same factory. When the mould is used, a team of workers must be employed; that is, there must be one person to handle the mould and make the filler, and another to roll the wrapper. In case of hand work, one man may manufacture the whole cigar, or a team of bunch breakers and rollers may be used. Under such circumstances, uniform apprentice provisions are possible only to a very limited degree.<sup>1</sup> In fact, some locals, especially when the law was first enacted, declared themselves unable to enforce a three years' term of apprenticeship.<sup>2</sup> A uniform wage scale is equally impossible; for, not only do wages vary according to the method of working, but also according to the particular grade of cigars manufactured. Thus, roughly speaking, the Atlantic coast, the Pacific coast, and certain sections of the middle west are high-wage districts, and manufacture, as a rule, a high grade of cigar. Between these areas, there are certain localities,—the cheap district of Pennsylvania, for example,—where wages are low and a cheap grade of cigar is manufactured.

Internationalization of functions did not involve at first administrative centralization, since the Cigar Makers' Union has no separate and distinct systems of executive machinery for the performance of International and local activities, re-

<sup>1</sup> The Baltimore local requires that, whenever possible, the apprentice be started at first on the mould, and afterwards instructed in hand work. A detailed apprentice law of the International Union might easily conflict with this rule.

<sup>2</sup> *Journal*, Vol. 8, No. 6, p. 4.

spectively. The assumption of new activities has often amounted to little more at first than the requirement that the local shall pay such and such a benefit or shall grant the Union label to employers conforming to the local shop rules. With the abuses of local administration and the greater efficiency of central government, increasing limitations have been laid upon the discretion of the local union. These limitations are of two kinds. In the first place, the International Union defines the precise manner in which its several functions shall be performed by the local. Thus, in the case of the union loan advanced to members wishing to travel in search of work, the International constitution provides not only the maximum amount that can be loaned, but also what officer shall grant the loan, when he shall grant it, who shall collect the loan, and how it shall be collected. In the second place, in certain cases, where the judgment of the local union is apt to be biased or short-sighted, the International constitution requires that the local submit the proposed plan of action to the International executive officers, or to the whole body of members. Thus, experience has shown that in granting the death or total-disability benefit, the members of the local are apt to be governed rather by the heart than the head. To correct this tendency, all death benefits over \$50 must be submitted to the International president for verification; and, similarly, all total-disability benefits must first receive the sanction of the International executive board.<sup>1</sup>

Ordinarily the most important feature of central control in the trade-union world is the limitation placed upon the right of the local union to strike. In this particular, the Cigar Makers' International Union is not, indeed, as stringent as the Iron Molders', the Typographical, and some other American trade unions. The locals are not threatened with suspension, if they go on strike without first obtaining the sanction of the International Union. However, the constitution of the Cigar Makers does declare that unless a strike has obtained proper approval, the strikers are not entitled to the union benefit. To obtain this approval, the present constitu-

<sup>1</sup> "Constitution, adopted 1896, ninth edition" (Chicago, n. d.), secs. 146, 150.

tion requires that all strikes involving less than twenty-five members shall be submitted to the International executive board, those involving twenty-five members or more to the vote of all the local unions.<sup>1</sup>

But while the local union is not directly limited in its right to declare an independent strike, the indirect limitations do, in practise, amount usually to positive prohibitions; and unauthorized strikes have become rare. Modern strikes tend to involve such large numbers that defeat is threatened from the beginning unless the financial support of the International Union has been obtained. Moreover, under the system of nationalization of funds, the local union finds it very difficult to secure the revenue with which to support an unauthorized strike. The local is allotted from the funds in its treasury a certain proportion, just about large enough to meet its normal current expenses. The remainder of the fund belongs to the International Union, and the local is liable to expulsion if any thereof is illegally expended. Finally, the local cannot levy a legal assessment to support an unauthorized strike, nor can it suspend members who refuse to pay the same. Such an assessment, if levied, must be of a voluntary character, and, since the cigar makers are already taxed high in proportion to wages, the return from such assessment is apt to be small. Unauthorized strikes, therefore, can only be such as involve a small number of members and give promise of brief duration.

Stricter control over the initiation of strikes dates from about 1879. The change came in part as the result of the bitter lesson taught by the industrial depression of 1873.<sup>2</sup> The Cigar Makers' International Union entered upon that depression with a loose strike law. All applications to strike had to be submitted to the International executive board for approval; but only with respect to strikes for an increase of wages was the board allowed any discretion. To all other applications, including those to resist a reduction, the board was compelled to affix its approval irrespective of policy or

<sup>1</sup> "Constitution, adopted 1896, ninth edition" (Chicago, n. d.), secs. 83-86, 198.

<sup>2</sup> *Journal*, Vol. 6, No. 2, p. 2.

conditions. When the depression came, and with it a wholesale reduction of wages, the impulse of every local was to resist. The International executive board, hampered by its strike law, was helpless to do anything. Strikes broke out among the cigar makers all over the country, the financial resources of the International Union were drained, strikes were lost, and the locals began to go to pieces. Adolph Strasser came to the presidency in 1877; and, backed by his supporters in the New York local, determined to put an end to this condition of things. At the same time, the character of the industry was, with the introduction of machinery, undergoing a change. The small shops were disappearing, and more than one-half of the membership was concentrating in five leading centres.<sup>1</sup> The great strike in New York City which involved over ten thousand cigar makers, and lasted over three months, suggested the proportions of future industrial conflicts, and made it clear that a single strike could injure or destroy the entire organization. In 1879, therefore, a law was passed containing most of the principal features of the present law, and placing the strike policy in the control of the International Union. International control was not established, however, without a struggle. In 1880, the convention reënacted the strike law of 1873; but, partly through the vigorous protest of President Strasser, the amendment was defeated by referendum. The Cleveland convention of 1881 enacted that in 1882 no strike for an increase of wages should be sanctioned during the dull season from November 1 to April 1. In 1883, this resolution was made a permanent feature of the constitution.<sup>2</sup>

The successful exercise of International functions involves the possession of means to compel local unions to obey the laws of the central body. In the Cigar Makers' Union, the chief modes of coercion are the fine and suspension or expulsion. The severest form of discipline, namely, suspension or expulsion, came first in point of time, in consequence of the fact that at first the local union was collectively held respon-

<sup>1</sup> "Report of President to the Convention of 1881," in *Journal*, Vol. 7, No. 1, p. 4.

<sup>2</sup> "Constitution, adopted 1883" (New York, 1884), Article 6, sec. 15.

sible for violations of the law, and that the earliest restrictions on the local union were, primarily, financial obligations. A fine was useless as a means to compel a delinquent local to send in its per capita tax, or to forward its strike assessment; for it only swelled the bill of indebtedness, and increased the disinclination to pay. Not a single fine was laid down in the constitution of 1879. Local unions were, however, threatened with expulsion for failure to send in the monthly tax or monthly reports.<sup>1</sup>

But as the International Union began to legislate on matters theretofore left to the local, and to prescribe how certain functions should be exercised, it became necessary to hold the individual officers and members, as well as the local union responsible for violations of the law. The International laws were now, in many cases, no longer restrictions upon the local but were imposed directly upon the officers and members, and the system of coercion adjusted itself to this individual responsibility. Moreover, the union official in carrying out the law often encountered the independent spirit of the local, and in upholding the law became in a manner a traitor to his local union. The position of such an official was strengthened, if he could point to the punishment awaiting his failure to comply with the International constitution. The first authorized fine appeared in the constitution of 1880. In that year the Union label was nationalized, and a special shop committee charged with its administration. As a guarantee that this committee should not neglect to enforce any of the International rules governing the use of the label, its members were threatened with a fine varying in amount with the number of times such neglect was repeated.

Need was also felt of some less severe and more pliable method of punishment than suspension or expulsion. It was obviously unjust to expel a man indiscriminately whether he "scabbed" against the Union, neglected to pay his dues, or as financial secretary forgot to punch the exact number of spaces on the loan card of some travelling member. Accordingly, the

<sup>1</sup> "Constitution, adopted 1879," in *Journal*, Vol. 5, No. 1, p. 3, Article 9, sec. 4; Article 15, sec. 3.

fine was introduced, varying in amount with the gravity of the offense and the frequency of its repetition. Back of the fine, and ensuring its coercive power, lay the threat of expulsion.

Obviously, the efficiency of expulsion as a penalty depends on the utility of membership in the International Union. When Adolph Strasser came to the presidency in 1877, he found the International Union in a weak and insecure condition. Its ranks had been thinned by the industrial depression of the preceding years. The only real collective function was in connection with the strike benefit, and through failure of the local unions to remit assessments, this was uncertain and precarious. The president was armed with the power of suspension, but membership in the International Union possessed so few advantages that suspension carried with it little terror, and local unions often seceded of their own choice. A particularly aggravated case was that of the Cincinnati Union. This union first seceded about 1876 because of opposition to the International law permitting the admission of female labor. In May, 1878, it was readmitted; in January, 1879, it seceded again, this time because of disapproval of the manner in which the executive board and the board of appeals had sanctioned a certain strike. In fact, in proportion to membership, the number of suspensions, both of entire local unions and of individual members within the local, was extraordinary. During the period of industrial revival from 1877 to 1879, for example, four unions were suspended for non-payment of the per capita tax, and eleven disbanded; there were 2750 suspensions of individual members, while the total membership in September, 1879, was estimated at only 1250.<sup>1</sup>

To President Strasser, the remedy for this condition of affairs seemed to lie in the increased utility of membership in the International Union; and it was primarily for this reason that the introduction of union beneficiary features was urged. A man liable to forfeit his right to a sick or death benefit, would think twice before he turned "scab," fell behind in the payment of his dues, or permitted, without protest, his

<sup>1</sup> "Report of the President to the Convention of 1879," in *Journal*, Vol. 5, No. 1, p. 1.

local to become liable to suspension from the International Union.<sup>1</sup> President Strasser saw also that in relieving the financial necessities of a member in need, an important element in the weakening of the union was removed. A man disabled because of sickness or lack of work is unable to pay his dues; and to a man out of work, the threat of suspension weighs but lightly in the balance against an empty stomach.<sup>2</sup> At convention after convention, Mr. Strasser reiterated the advantages of a beneficiary system; and in the intervals wrote long editorials on the subject in the Union's *Journal*.

All the beneficiary features except the out-of-work benefit were adopted between 1879 and 1880; and the immediate proportionate decrease in the number of suspensions during those and the following years is significant.

	Number of suspensions	Total membership
Sept., 1877-Sept., 1879 . . . . .	2750	1250 (Sept., 1879)
Sept., 1879-Sept., 1880 . . . . .	1853	3800 (Sept., 1880)
Sept., 1880-Sept., 1881 . . . . .	3076	12,709 (Sept., 1881)

It is interesting in this connection to compare the membership of the Cigar Makers' International Union during the depression from 1873 to 1877, and during the depression between 1890 and 1896. Evidently the beneficiary features have lessened the membership losses due to industrial hardship.

	Local unions	Members		Local unions	Members
Sept., 1869 . .		5800	Sept., 1879 . .	36	1250
Sept., 1873 . .	84	3771	Sept., 1880 . .	74	3870
Sept., 1874 . .	54	2167	Sept., 1891 . .	291	24,624
Sept., 1875 . .	50	1604	Sept., 1893 . .	316	26,788
Sept., 1877 . .	17	1016	Sept., 1896 . .	350	28,074

We have seen how the International Union developed its powers and functions, and learned to enforce them by coercive methods. There remain to be considered—(1) the nature of the International administration, and (2) the manner in which the organic law of the Union is amended or modified.

Theoretically, systems of administration may be divided into two categories, executive and judicial. But in the Cigar

<sup>1</sup> *Journal*, Vol. 6, No. 1, p. 1.

<sup>2</sup> *Ib.*, Vol. 10, No. 8, p. 6.

Makers' Union, the several functions of government are not assigned to three distinct agencies. The president of the International Union acts both as executive and judiciary; and his executive and judicial duties are often hopelessly intermingled. A study of the system of administration, therefore, is primarily a study of the International president; and a theoretical distinction is useful only in classifying his various duties.

The first national convention, which met in New York in 1864, divided the executive functions of the Union among a long list of officers, embracing a president, a vice-president, an English recording secretary, a German recording secretary, a corresponding secretary and a treasurer. It is significant that the same officers are with a single exception to be found in the earliest extant constitution of the New York local.<sup>1</sup> The natural tendency would be to elect such officers as had been found useful in the local to carry on the work of the National convention. These officers were unpaid, and at the close of the convention were scattered in various parts of the country from Boston to Cincinnati. Despite their few duties, the plan failed to work. Experience showed that these several officers must either be salaried, and be stationed together in a single place; or that all executive duties must be concentrated in the hands of a single salaried official. The Cigar Makers preferred the latter as the cheaper plan; and, after several conventions, a single paid officer, called the president, was elected.

The executive duties of the president were various. Up to 1880 he was a corresponding secretary, and conducted all correspondence with the local unions. He acted as financial secretary, and received the per capita tax, was responsible for the proper enforcement of the International laws, and himself edited and published the official *Journal* of the Union.<sup>2</sup> With the Union's assumption of new activities in 1879 and 1880, the duties of the president became onerous; and the convention appropriated a certain amount for clerical assistance.

<sup>1</sup> *Journal*, Vol. 1, No. 11, p. 1.

<sup>2</sup> "Constitution, adopted 1879," in *Journal*, Vol. 5, No. 1, p. 3, Article 4; "Constitution, adopted 1880" (New York, 1880), Article 2, secs. 3-4.

The chief duty of the president thus became mainly supervisory. In so far as the paid clerical force in his office were concerned, this was a simple matter. But the supervision of International functions as performed by the local unions presented more serious difficulties. How could the president, sitting at his desk in a Chicago office, know that the local unions in Toronto or San Francisco were conforming to the International constitution? Two devices have been used by the Cigar Makers' International Union to exercise this oversight,—the system of reports and a staff of supervisory officials.

Until 1885, the only information which the president possessed as to transactions in the local union was gained through written reports sent in by local officers. To help the executive board in sanctioning strikes, the president of every local was required as early as 1873<sup>1</sup> to report on the causes leading to any difficulty with employers, the number of men involved, and the probable aggregate strike benefit that would have to be paid. Until the internationalization of funds in 1879, every financial secretary was obliged to report each quarter the amount of strike fund on hand. The locals have been required since 1875 to report upon the state of the trade and the conditions of employment. Other such reports are made specifically designed to help the president in enforcing Union law, in particular the proper application of the strike benefit. Thus, in 1876,<sup>2</sup> in order that the president might know if local unions were contributing the strike benefit, and also if the striking union was expending this fund properly, the committee of the local appointed to receive contributions during a strike was required to submit a list of the unions from which assistance had been received, and an itemized statement of the manner in which these funds had been expended.

Since 1879, with the internationalization of funds, and the increase of International activities, the number and extent of these reports have increased. When the funds of the local became internationalized, the president became concerned in knowing not only about the strike fund, but about all union

<sup>1</sup> *Journal*, Vol. 6, No. 2, p. 2.

<sup>2</sup> *Ib.*, Vol. 1, No. 6, p. 1.

funds and all kinds of union expenditures. Thereafter, the financial secretary of each local union was required to transmit monthly an itemized statement of all amounts received and expended.<sup>1</sup> The system of loans to travelling members had been found peculiarly subject to fraud and abuse. Accordingly, the constitution of 1880 provided that all local unions should, in connection with their monthly reports, state all such loans granted and repaid, together with the names and numbers of the borrowers and payees. These reports, designed for the private information of the International president, revealed numerous abuses and suggested the existence of other violations of the law about which the president never heard, and about which he could only learn indirectly through reports, and then only after thorough search.<sup>2</sup> Moreover, the reports themselves were often manipulated by the financial secretaries. To prevent this, the local union is now required to elect a finance committee which examines the accounts of the secretary and treasurer every month, forwards a certified statement of the investigation to the International president, and testifies to the correctness of the financial secretary's report.

But even correct reports are of real service only in connection with financial matters. To secure effective central control in other directions, the Cigar Makers have found it necessary to superimpose upon the system of reports a staff of supervisory International officials. The earliest of these supervisory officers was the organizer, who was charged with the formation of new unions, and had at first little to do with the enforcement of International law. It soon became apparent, however, that after forming a new local, the successful organizer must guide the bark of government past the initial shoals and breakers. Thus, the organizer sought to secure the election of good officers for the newly formed local, instructed them in their duties, and instilled into the membership something of the spirit of the organization, and the principles for which it stood. Moreover, when a rumor reached head-

<sup>1</sup> "Constitution, adopted 1879," in *Journal*, Vol. 5, No. 1, p. 3, Article 15, sec. 1.

<sup>2</sup> *Journal*, Vol. 9, No. 9, p. 5.

quarters that trouble was brewing in some local, whether a difficulty with an employer, a mere family quarrel, or an alleged illegality, it was natural to call upon the organizer, as the only travelling International officer, to visit the locality and to straighten out matters.

Existing in some form or other almost from the beginning, the office of organizer did not become a permanent feature of the International constitution until 1885. His duties, as defined in the constitution of that year,<sup>1</sup> consist in the examination of the financial accounts of local unions when directed to do so by the International president, the instruction of local officers in the discharge of their duties, and the performance of such other services as may be assigned by the International Union.

The convention of 1885 further provided for the appointment of an International official designated as the strike agent. The need of such an officer had been demonstrated by an important strike in Cincinnati between 1883 and 1885. This strike had been entered upon precipitately, and before sanction had been properly obtained. Overtures on the part of employers to arbitrate had been refused, and no attempt made to arrive at a peaceful solution. The strike itself was badly managed; and when, after thousands of dollars had been remitted to the local strike committee, the International president went in person to investigate the situation, the union refused to recognize his authority, or to accept his advice.<sup>2</sup>

Largely in consequence of this experience the convention of 1885 passed two measures for more direct control by International officers of the management and settlement of strikes: (a) the executive board was authorized to designate a member of the International Union at large to act in connection with a committee of the local union as a special arbitration committee; and (b) the office of "strike agent" was established.<sup>3</sup> The president was directed after a strike or lockout had con-

<sup>1</sup> "Constitution, adopted 1885" (Buffalo, 1886), Article 2, sec. 15.

<sup>2</sup> Report of President Strasser to the convention of 1885 in "Proceedings of the Sixteenth Session" (n. p., n. d.), p. 5.

<sup>3</sup> "Constitution, adopted 1885" (Buffalo, 1886), Article 6, secs. 1, 20-24.

tinued eight weeks, to appoint a "strike agent" to proceed to the locality and act as agent of the International Union. This agent was authorized to attend all meetings both of the local and its committees, to have access to all papers and documents, and to transmit a report to the president, weekly or oftener. If the local refused access either to papers or meetings, further financial aid from the International was discontinued. At first, the organizer was called upon to act as strike agent. But the duties of this official were rapidly becoming excessive, and while busy at other things, his chief responsibility, the organizing of the cheap-labor districts of Pennsylvania, languished.<sup>1</sup>

In consequence, the later development of executive supervision in the Cigar Makers involved the division of a part of the duties of the organizer among several travelling officials. The convention of 1887 created a special officer known as the "financier," charged with examining the financial accounts of local unions and instructing financial officers in their duties. The financier goes from local to local, generally arriving unexpectedly and without warning. The accounts of the financial secretary are subject to a vigorous examination, and the system of administering the benefits carefully reviewed.<sup>2</sup> Soon after President Strasser declined re-nomination to the presidency in 1891, he was appointed "financier," and holds this office to the present day. Under his strict régime, the financial administration of the local has visibly improved, and defalcations have become less frequent.

Similarly, the organizer has been called upon less and less to act as strike agent. This work is now generally assigned to one of the vice-presidents, or to some other member of the International Union. Finally, by the present constitution of the Union, the organizer has been replaced by two or more "label agitators and organizers" whose duties are limited to the organization of new unions, to agitation in the interest of the label, and to the instruction of local unions in the discharge of their duties.

<sup>1</sup> *Journal*, Vol. 12, No. 10, p. 10.

<sup>2</sup> "Constitution, adopted 1887" (Buffalo, 1888), Article 2, sec. 15.

Each one of these officers—the financier, the strike agent, and the label agitator and organizer—must report weekly or oftener to the International president. This chief executive is able, therefore, to keep in close and intimate touch with conditions and administration in the local union, and to ascertain with some degree of certainty whether the laws of the Union are being enforced.

As already stated, the judicial authority of the Union is vested in the International president. Cases brought before the president for decision may be broadly divided into two classes, (a) those in which he has original jurisdiction, and (b) those in which he has only appellate jurisdiction. The president has original jurisdiction in all controversies or difficulties between local unions, or between members of different local unions, and in all violations of International law by local unions. The president has appellate jurisdiction in all cases arising within the local, whether between different members or between members and the local union. Such cases must go first to the judicial authorities of the local union for decision. If the interested parties are dissatisfied with the decision, an appeal lies to the International president. There is, however, no sharp or fixed distinction between the appellate and the original jurisdiction of the president. Under certain circumstances, the constitution practically vests him with original jurisdiction in cases arising within the local union; while on occasions, he has claimed and exercised jurisdiction, on the ground of expediency, clearly beyond his legal powers. Twice, between 1882 and 1883, the International president suspended the presidents of locals in which there was an alleged conspiracy to secede with the International Union's funds.<sup>1</sup>

The defect in this system of judicial administration lies in the fact that the president has no personal knowledge of the cases that are sent to him for adjudication. He cannot cross-examine witnesses, and must base his decisions on the written statements submitted by both parties to the dispute. These statements are under all circumstances written with a bias,

<sup>1</sup> "Proceedings of the Fifteenth Session" (Toronto, 1883), p. 8.

and are often conflicting or positively contradictory.<sup>1</sup> Decisions rendered under such circumstances must, at best, only approximate justice. In a slightly different way, the same problem was met in the exercise of executive administration. The remedy which naturally suggests itself is the analogous creation of a travelling judicial officer, moving in circuit, and holding court at regular intervals in the different local unions.

The International president must also interpret union law. This is necessarily involved wherever the president is called upon to determine if any violation of law has occurred. In addition to this, the president is daily called upon by the locals to solve problems not directly connected with violations of the law. Every morning's mail brings with it a batch of questions, the successful answer to which involves that light be thrown on some obscure clause of the constitution, or that the law be extended to cover new and unexpected applications. This duty of interpretation is inseparably connected with the executive duties of the president. Whenever a new clause is inserted in the constitution, such interpretation is necessary for its proper execution. Thus, President Strasser declared, in the convention of 1891, that the greater part of his time since the preceding convention had been spent in answering questions and making explanations concerning the newly introduced out-of-work benefit.<sup>2</sup>

Moreover, the interpretation of law carries with it the exercise of large legislative power. This is peculiarly true in the looser government of the trade union. Here laws are enacted not by experienced legislators, but by men without legal training, many of whom have left the shop and the work-bench to perform their duties on the floor of convention. As a consequence, legislation is often indefinite and ambiguous. One part of the constitution will be amended; and other parts affected by the change will not be brought into uniformity.

<sup>1</sup> Report of President Perkins to the convention of 1891 in "Proceedings of the Nineteenth Session" (Buffalo, 1891); Report of the President to the convention of 1893 in "Proceedings of the Twentieth Session" (Milwaukee, 1893).

<sup>2</sup> Report of the President to the convention of 1891 in "Proceedings of the Nineteenth Session" (Buffalo, 1891), p. 5.

In the interpretation of such a constitution, the president is anxious, above all else, that the law shall work well. Almost of necessity, he allows himself much latitude in interpretation; and, if expediency demands it, he will not hesitate to violate the letter of the law, or to render decisions which practically amount to new legislation. To cite a single instance: In 1885, two locals in Cincinnati issued a circular attacking the International executive, and questioning the honesty of his intentions. The president promptly replied with an order to the effect that any local making charges against an officer in the intervals between conventions, and failing to substantiate them, would forfeit its charter. This order was practically new legislation; but, going even farther, the International president gave the law a retroactive application by suspending the local.<sup>1</sup>

Executive, judge, legislator!—it would appear that an officer combining all three such powers must inevitably become a dictator. As a matter of fact, however, the International president is neither an absolute nor a limited monarch, but simply the responsible servant of his Union, restricted in the exercise of extra-constitutional powers by an elaborate system of limitations or checks upon his authority.

The principal check on the authority of the president is the International executive board, composed of vice-presidents who are unpaid officials, without active executive duties. Since 1880 the constitution of the Union has required that the president and the several vice-presidents shall reside in different places. As a matter of fact, they are scattered about the country, and, to a certain degree, represent the several territorial sections. Thus, since 1888 the third vice-president has, in accordance with a constitutional requirement, been a resident member of a Canadian union.<sup>2</sup> Taking at random the year 1896, we find one member of the executive board stationed in Colorado, another in Virginia, a third in Massachusetts, a fourth in New York. Some attempt has also been made to have the executive board representative of the

<sup>1</sup> "Proceedings of the Sixteenth Session" (n. p., 1885), pp. 9-13.

<sup>2</sup> "Constitution, adopted 1887" (Buffalo, 1888), Article 2, sec. 1.

several craft units in the International Union. Thus, at several conventions, the cigar packers urged the passage of a law requiring that one member of the executive board be a cigar packer; but up to the present time, no such measure has been passed.

The executive board acts as a check on the president in two ways. It can, in the first place, substitute its judgment for that of the president in certain cases which require the exercise of unusual discretion. Thus all applications of local unions to strike, involving less than twenty-five members, must be submitted to the executive board for sanction. The executive board also grants charters to new locals, and levies assessments to replenish the International funds.<sup>1</sup> In the second place, the executive board serves as a check on the president by acting as a board of approval to many of his executive acts. Thus, all appointments made by the president to the offices of financier and strike agent and all removals therefrom must be submitted to the board for approval. Similarly, if the president wishes to hire clerks to assist him, he must first obtain the consent of the board. Finally, the executive board may constitute itself into a grand tribunal to try the president when that officer has been impeached by the locals. On the judicial side, every decision of the International president of whatever character may be appealed by either locals or members to the International executive board.

The general convention of the International Union, composed of delegates from the local unions in proportion to membership, has served as a potential check upon the authority of the president and the executive board. The president and executive board are responsible to the convention, are obliged to report their actions and to submit their decisions for approval or condemnation thereto, and, indeed, up to 1891, were elected by this body. The convention performs important executive and judicial work on its own account. It conducts relations with other trade unions and with the American Federation of Labor; it formulates instructions for

<sup>1</sup> "Constitution, adopted 1896, ninth edition" (Chicago, n. d.), secs. 83, 164, 180.

the president to carry out during the coming term, and up to 1883 it was the supreme judicial tribunal of the Union, to which all appeals from the executive board were submitted for final determination.<sup>1</sup>

The prime purpose of the convention, however, is the consideration of constitutional amendments. Its efficiency, in this particular, is determined by the intelligence and ability of the delegates, and by its methods of transacting business. In this connection, the question as to whether the delegates to the convention include the more intelligent and capable workmen in the trade presents itself. Undoubtedly, there are at every trade convention a generous sprinkling of incapables; but, on the other hand, a good proportion of the delegates will be officers or ex-officers of local unions, and another considerable number will have served as delegates to former conventions. Mr. Samuel Gompers, for example, has been a delegate to every convention since 1877, and has exerted no small influence thereat. Similarly, there are usually present certain of the International officers, including several of the vice-presidents as representatives of their respective locals, and, by virtue of his office, the International president, whose report embodies suggestions for important constitutional changes.

The chief feature in the evolution of legislative procedure in the Cigar Makers' conventions has been the development of the committee system. All changes in the organic law proposed by delegates or submitted by local unions are referred to a committee on constitution. Special committees are also appointed to consider legislation on particular topics, such as strikes and the Union label. The measures proposed by these special committees are sometimes acted upon directly by the convention, sometimes referred without discussion to the committee on constitution. The recommendations of the International president are usually formulated into laws by the committee on officers' reports, and are either acted upon immediately by the convention, or are referred to the committee on constitution. In this way, every amendment undergoes consideration by one, sometimes two committees, before

<sup>1</sup> "Constitution, second edition" (New York, 1882), Article 2, sec. 3.

submission to the delegates for discussion, amendment, and adoption.

As a matter of fact, however, the Cigar Makers have not held a general convention since 1896. This representative assembly has been virtually replaced by direct government by the individual members. Almost from the first days of the Union, amendments to the constitution were, during the period between conventions, proposed by local unions, and if seconded by a sufficient number of other local unions, submitted directly to general vote. Thus the first extant number of the *Journal* (March, 1876) contains the draft of an amendment which was being submitted to popular vote. For the past eight years, this legislation by popular initiative and referendum has entirely superseded legislation by the convention. Gradually also the membership of the Union has replaced the convention as a check upon the International officers. Since 1879, all applications to strike involving twenty-five members or more are submitted at once to popular vote. All applications involving less than twenty-five, are decided by the general executive board; but an appeal may be taken from their decision to the several local unions. In 1883, the membership became a sort of supreme court to which appeals from the judicial decision of the International executive board may be carried.<sup>1</sup> It is to the same authority that the International officers now owe their election; and, finally, they can on the motion of one local, if seconded by one-fifth of the local unions, be impeached.<sup>2</sup>

Legislation by popular initiative and referendum is more economical than legislation by convention. Since 1881, the International Union has paid all expenses of the delegates to the convention. The annual convention, became, therefore, a costly burden, to lessen which, the period between conventions was lengthened successively from one to two, three, five, and finally eight years, and greater reliance placed upon the use of popular initiative and referendum. On the other hand, the election of officers is, under the present system of popular

<sup>1</sup> "Constitution, adopted 1883" (New York, 1884), Article 2, sec. 4.

<sup>2</sup> "Constitution, adopted 1896, ninth edition" (Chicago, n. d.), secs. 11-42, 60.

government, a very great expense. For example, in 1893, the cost of electing International officers was \$15,200. Certain improvements were, however, made in the system of election, and in 1896, the cost was reduced to \$5,029. Moreover, since 1879, the constitution of the Cigar Makers has required that even those laws passed by convention should also be submitted to popular vote. The explanation is that, as all union leaders declare, a measure which has received the sanction of the whole body of members carries with it more weight than an amendment which has behind it only the action of convention. The same reasoning holds in the case of executive and judicial orders issued by the International officers. When, in 1878 and 1879, the men who favored a strongly centralized union were seeking some means wherewith to maintain a stricter International control over the initiation of strikes, they were confronted by the fact that locals refused to abide by an adverse strike decision of the International executive board. The right of appeal to the vote of the local unions was, therefore, established.

On the other hand, popular initiative and referendum possess certain disadvantages. Thus, officials of the Cigar Makers' International Union admit that, under the system of strike referendum, practically nine out of every ten applications are approved. The prevailing opinion seems to be that the local union is the best judge of the justice of its demands upon employers, and of the prospects of success in its locality. If, therefore, the state of the Union's finances permit and too many locals are not already out on strike, the application is almost invariably sanctioned. Moreover, a study of the various amendments to the International constitution reveals that while every important reform has been submitted by the convention to referendum, the measures proposed by popular initiative have been, with few exceptions, unimportant modifications of existing laws.

Although conscious of the imperfections of popular government, the Cigar Makers are nevertheless optimistic concerning the future of popular initiative and referendum in their organization. Thus ex-President Strasser in reply to a query of the writer, said recently: "Referendum is by no means

ideal. Nor do the Cigar Makers so consider it. In Switzerland, the people turned down by referendum measures which most thinking men would consider great public policies. So, in the trade union. Undoubtedly, the Cigar Makers' International Union has, especially in the earlier years, passed by initiative and referendum a few unwise laws, and turned down some good ones. Popular initiative and referendum have, moreover, another fault. It is that the members will not take sufficient interest to attend meetings and vote. Only on questions which touch them personally, a law, for example, which affects their benefits, or possibly the application of some local union to strike, does the vote come out strong. In the case of the election of the International officers, we offset this by fining those members who fail to vote, and by requiring that an absolute majority of all votes cast shall be necessary to election. But one thing the Cigar Makers' Union emphasizes, one thing its history shows is possible. It is that the members should and can be educated to the referendum. Many mistakes may be made in the beginning. But people learn by their mistakes; and, in the end, I believe that direct popular government will be more efficient than the former system of convention."

The history of the Cigar Makers' International Union has demonstrated that a highly developed structure goes hand in hand with an efficient and stable organization. Defalcations of large sums, which in the United Brotherhood of Carpenters and Joiners and in the early days of the Iron Molders' Union seriously crippled those organizations, have been avoided by the Cigar Makers by the simple device of distributing the International funds among the several local unions. Honest administration of the Union's finances and obedience to the Union's law are maintained within the local by a series of internal checks and limitations, by a system of reports, and by travelling International officials. For administrative efficiency, all supervisory power is centralized in the hands of the International president; but, at the same time, that officer is, in great measure, restrained from autocratic power by an executive board and the whole body of members. By the use of the appeal from the local union to the International presi-

dent, from the president to the International executive board, and from the executive board to a general vote of the members, judicial equity is to a reasonable degree assured. Strikes are, as a rule, declared only after a majority of the local unions have given their approval, and hasty "walk-outs" of men who have been carried away by the passion of the moment have disappeared. A strike is usually entered upon with great deliberation, and only after such questions as the condition of the trade, the state of the Union's finances, and the number of locals already on strike, have been considered. The fear of losing the Union's benefits induces members to obey the Union law; the number of suspensions has fallen off; and the organization maintains a steady growth in periods of depression as well as in periods of industrial prosperity.

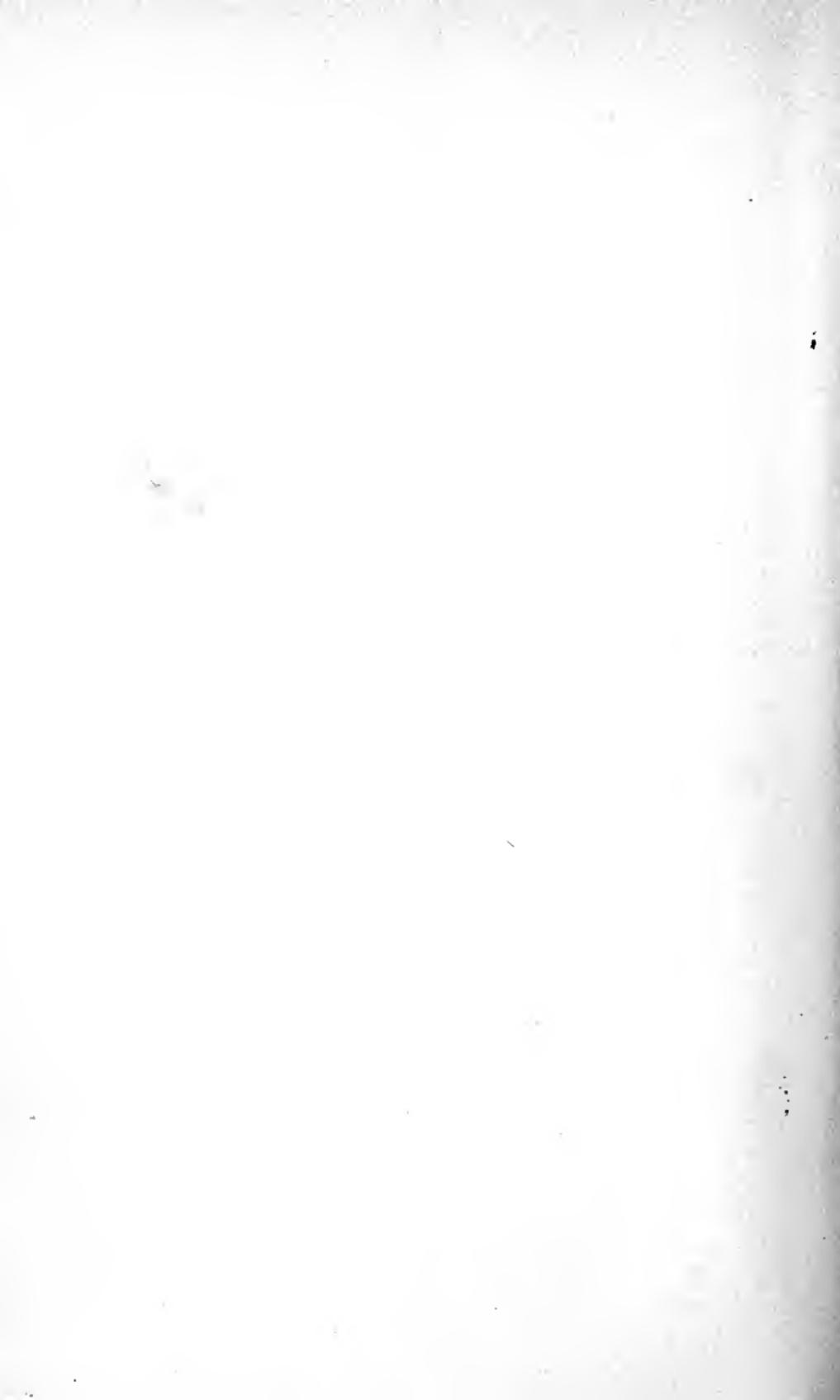
On the other hand, the use of the appeal is often abused or resorted to by the disaffected upon trivial pretexts. Popular election of officers has proven a costly burden to the organization; and measures proposed by popular initiative have been, with few exceptions, unimportant modifications of existing law. Strikes submitted, not to the International executive board but to a vote of all the local unions, tend to receive with monotonous persistency the sanction of undiscriminating approval. Finally, it appears that even a well-developed structure cannot entirely solve the strike problem. As the Cigar Makers' International Union has become stronger and the employers have gained more respect for the power of the organization to inflict injury, strikes have tended to become less frequent. But, at the same time, the struggles themselves have become more costly, more bitter, and of longer duration.

## IV

# THE FINANCES OF THE IRON MOLDERS' UNION

BY

A. M. SAKOLSKI



## IV

### THE FINANCES OF THE IRON MOLDERS' UNION

FEW American labor organizations possess the strength and stability of the Iron Molders' Union of North America. An eventful history, dating back almost a half-century, has permitted an exceptional degree of financial development. Gradual improvement in resources has been accompanied by a corresponding extension of activities, so that at the present time, not only full industrial protection but friendly benefits in case of death, sickness, or permanent disability are afforded. The original policy of independent local treasuries, maintained by local unions, has persisted; but side by side with it, a central financial control has developed. Adequate revenue is assured the national treasury by uniform per capita dues, of which only a minor portion can be used by the locals for local purposes, the greater part remaining under the control and supervision of the central office.

Organized in 1859 as a loose federation of existing locals, the early years of the Iron Molders' Union gave little occasion for the exercise of financial powers. The locals retained almost complete independence and authority, and the supervision of the "union card" and the collection of contributions for locals on strike were virtually the only functions performed by the National Union during the first five years of its existence. Limited thus in sphere of action, the revenue originally received by the central office was correspondingly meagre. The first general convention, held in Philadelphia in 1859, imposed an annual contribution of ten dollars upon each local and a fee of ten dollars for each delegate sent to the annual conventions for the support of the National Union. These failed, however, to provide adequate revenues and were replaced, in 1860, by a per capita tax of five cents per annum upon each member of the Union, collected and remitted by the

local bodies. The yearly receipts from the per capita tax during the next two years amounted to something less than a thousand dollars, and served merely to defray the expense of maintaining a central organization. Financial assistance to locals on strike was derived from voluntary assessments levied by each branch upon its members at the suggestion of the executive board of the National Union.

The per capita tax upon members adopted in 1860 grew in favor as the primary method of raising Union revenue. From time to time, as the functions of the national organization expanded, the rate was increased. In 1867 it was fixed at fifty cents quarterly for every member in good standing, and in 1872 it rose to twenty-five cents a month. The immediate purpose of this increase was the accumulation of a fund for establishing coöperative foundries. The financial needs of the Union, however, prevented any of the increased income from being devoted to this purpose.<sup>1</sup>

Between 1863 and 1867 the Iron Molders' Union gained rapidly in membership by the enrollment of non-union journeymen molders throughout the country, with a corresponding increase in revenue. At the convention of 1866, President Sylvis reported that the National Union then included one hundred and thirty-seven separate locals with a total membership of slightly less than ten thousand—about nine-tenths of the journeymen iron molders in the United States.<sup>2</sup> This virtual control of the trade naturally enhanced the prestige of the National Union and the reliance placed in its powers by the local branches. Strikes for higher wages and improved conditions of employment became more frequent, and with the larger resources of the Union, were more bitterly contested and better supported. President Sylvis estimated that during the six years ending January 1, 1866, the cost of strikes to the National Union and its subordinate branches was \$1,161,582.26, an average of \$24 per annum for each member.<sup>3</sup> Funds for the purpose were procured partly by special assessments levied upon the earnings of the membership. When a strike occurred, a call was made directly upon the

<sup>1</sup> *Iron Molders' Journal*, April, 1876.      <sup>2</sup> *Ib.*, Vol. 1 (1867), p. 306.

<sup>3</sup> *Ib.*, Vol. 1 (1867), p. 308.

locals for assistance. The locals, in turn, apportioned the assessment so made among their members. As these strike assessments grew in frequency, the locals inclined to use their own available funds rather than to impose a special tax upon the membership. This practice resulted in the depletion of local treasuries, in delay in the remittance of the monthly per capita tax, and in large arrearages in the revenues of the National Union.

Moreover, the delay in the remittance of assessments to the central office made payments to local unions for strike purposes highly uncertain, and strikes were often lost or compromised before assistance could be given to the strikers by the National Union. It became the practice of conventions to allow "back-claims" to local unions that had failed to receive their due portion of assistance while on strike. Thus the convention of 1878 appropriated \$5700 for this purpose, while that of 1888 allowed more than \$18,000. These inconveniences led the convention of 1882 to establish a "strike reserve fund," available for the support of strikers until the regular strike assessments levied for the purpose could be collected. This fund was inaugurated by an assessment of one dollar upon every member of the organization payable on September 1, 1882.<sup>1</sup> The measure was only partially successful, failing after a few years' trial either to furnish adequate support for strikes or to relieve the local branches of the difficulties experienced in collecting special assessments. Accordingly, in 1890, the entire system of strike assessments was abolished and replaced by an increase in the per capita tax from twenty-five to forty cents monthly. From the proceeds of this tax, fifty-eight per cent. (*i. e.*, twenty-four cents per capita) was appropriated as a fund to be used solely for strike purposes.

In 1895 the finances of the organization were further strengthened by the institution of uniform dues and other charges in the local unions. Each member is now required to contribute as dues to his local twenty-five cents per week. Of this amount, seven cents is retained by the local for its own use and the remaining eighteen cents is credited to the National Union; ten cents being remitted to the central

<sup>1</sup> "Constitution, adopted 1882" (Cincinnati, 1883), Article 6, sec. 7.

treasury and eight cents being placed in the local sick-benefit fund. In addition to the weekly membership charge of twenty-five cents, since September, 1902, there has been levied a regular quarterly assessment of twenty-five cents, the proceeds of which are appropriated to strengthen the strike fund, thus making the total charge upon each member fourteen dollars per year. Supplementary to this income there is (a) an initiation fee of five dollars, three dollars of which is retained by the local receiving the new member and the remaining two dollars allotted to the national death-benefit fund; (b) a charter fee of five dollars imposed upon new locals, and (c) the receipts from fines, sale of supplies, subscriptions, and advertisements placed in the official journal. With the exception of the initiation fee, which owing to the Union's rapid growth in membership during the last few years has been productive, the income from these sources is minor and largely offset by extra expenditures.

The receipts of the Iron Molders' Union from 1860 to 1902 are shown in the following table:

#### RECEIPTS OF THE IRON MOLDERS' UNION

Date	Length of period	Receipts	Average yearly receipts
1860.....	1 year	\$6,125.06	\$6,125.06
1861.....	1 year	1,605.14	1,605.14
1862.....	1 year	.....	.....
1863.....	1 year	17,668.35	17,668.35
1864.....	1 year	5,257.97	5,257.97
1865.....	1 year	14,659.44	14,659.44
1866.....	1 year	44,646.71	44,646.71
1866-68.....	2 years	48,977.75	24,488.88
1868-70.....	2 years	28,780.49	14,390.24
1870-72.....	2 years	48,254.94	24,127.47
1872-74.....	2 years	41,967.78	20,983.89
1874-76.....	2 years	48,279.13	24,139.56
1876-78.....	2 years	37,801.17	18,900.58
1879-82.....	3 years	79,625.00	26,542.00
1882-84.....	2 years	83,206.19	41,603.09
1884-86.....	2 years	82,842.42	41,421.21
1886-88.....	2 years	102,395.69	51,197.84
1888-90.....	2 years	142,753.77	71,376.88
1890-95.....	5 years	370,280.84	74,058.16
1895-99.....	4 years	525,709.72	131,427.48
1899-02.....	3 years	902,573.92	300,857.97

The disbursements of the Iron Molders' Union may be conveniently classified under three heads, corresponding to the actual divisions made in the funds of the National Union: strike expenditure, beneficiary expenditure, and general or administrative expenditure. These will be examined in turn.

*Strike Expenditure.*—The Iron Molders' Union has long borne the reputation of being one of the most energetic and aggressive of American trade unions. Its disbursements for strike and lock-out purposes, estimated on a per capita basis, have been larger than those of any other similar organization, and have amounted at times to more than three-fourths of its total revenue. Unlike the International Typographical Union, which, for almost three decades after its formation, made no provision for supporting strikes, the Iron Molders' Union, almost from its inception, made this its chief function. The by-laws, framed by the first convention in 1859, contained the following section: "Should it become necessary for the molders at large to assist the molders of any locality to vindicate their rights, the National Executive Committee shall advise the various unions of the fact and recommend to local unions what assistance to render." During the first year of existence it collected from local branches for strike purposes more than \$5000. The next year the calls for assistance were so numerous that funds could not be supplied in all instances, and this failure to relieve locals engaged in difficulties with employers, led the delegates to the third convention to adopt a more adequate method of aiding striking members. The method of voluntary contribution was abolished, and instead the levy of a compulsory tax was authorized whenever funds were required for strike purposes. The amount of the assessment was limited to two per cent. of wages. Thereafter, the disbursement for strikes increased steadily. During the year 1863, a single difficulty in Philadelphia which involved three hundred and eighty-four men cost the National Union more than \$10,000. Similarly, in 1864, \$17,260 was collected and paid out for strike purposes, while the entire returns from the regular per capita tax, levied for general expenses, amounted to only \$4689.37. At this time the total membership of the National Union was

about 6000. The per capita expense of strikes to the National Union was about two dollars per annum, a relatively large amount, when it is considered that the financial support rendered to striking locals at this time was merely supplementary.

As the National Union enlarged its jurisdiction, the proportion of strike to total expenditures increased correspondingly. The earlier method of subsidizing local branches involved in difficulties was replaced by the payment from the funds of the Union of weekly strike benefits to striking members. At the same time, more direct influence was exercised by the general officers over the declaration and conduct of local strikes. The policy of equalizing wages and conditions of employment in each competitive district demanded unity of action, to be effected only by a national organization. The formation of employers' associations in opposition to the Union hastened the movement toward the centralization of strike expenditures. In 1866, an association of stove manufacturers was formed at Albany, N. Y., and almost immediately an extended lockout resulted, in which eleven locals in all sections of the country were involved. In the struggle that ensued the sum of \$32,000, or more than \$3 per member, was expended from the general treasury of the organization.

Owing to the absence of full membership records and the irregular intervals at which the reports of such expenditures were made, a detailed analysis of the per capita cost of strikes from year to year is not possible. The table on page 89 shows the growth of strike disbursements in the Iron Molders' Union.

It will be seen that during the first twenty-two years of the Union's history, that is from 1860 to 1882, there was considerable variation in the annual and biennial amounts expended, but that the average expenditure increased only slightly. From 1882 on, however, a gradual increase has taken place. This may be ascribed to several causes. Not only has there been rapid growth in membership during the latter period, but, as already pointed out, there has also been marked improvement in the financial resources of the National Union and consequently in the regularity with which claims for

strike benefits have been paid. The establishment of the defense fund on a secure financial basis led the larger unions, theretofore inclined to inaugurate independent and unauthorized strikes, the cost of which was paid from their own treasuries, to rely entirely on the National Union for support in strike conflicts.

The formation of manufacturers' associations in the trade has perhaps been the most important cause affecting the strike expenditures of the Iron Molders' Union during the last two

#### STRIKE EXPENDITURE

Period	Length of period	Cost	Average yearly cost
1860.....	1 year	\$5,111.60	\$5,111.60
1861.....	1 year	1,115.00	1,115.00
1862.....	1 year	.....	.....
1863.....	1 year	10,329.89	10,329.89
1864.....	1 year	17,260.00	17,260.00
1865.....	1 year	6,000.00(a)	6,000.00(a)
1866.....	1 year	25,000.00(a)	25,000.00(a)
1866-68.....	2 years	9,500.00	4,750.00
1868-70.....	2 years	5,350.00	2,675.00
1870-72.....	2 years	32,209.78	16,104.89
1872-74.....	2 years	20,788.82	10,394.41
1874-76.....	2 years	16,117.46	8,058.73
1876-78.....	2 years	15,568.65	7,784.32
1878-82.....	4 years	19,894.63	4,973.65
1882-86.....	4 years	56,343.53	14,085.88
1886-88.....	2 years	33,883.54	16,941.77
1888-90.....	2 years	67,964.32	33,982.16
1890-95.....	5 years	209,967.52	41,994.38
1895-99.....	4 years	175,704.49	43,926.12
1899-'02.....	3 years	334,113.68	111,371.22

(a) Approximately.

decades. In 1886 the Stove Founders' Defense Association, and in 1898 the National Founders' Association, were organized for the purpose of dealing with the demands of the Iron Molders' Union. A conflict with a branch of the latter of these two associations resulted in the Cleveland strike, which, beginning in July, 1900, and lasting eight months, involved five hundred and ninety-six journeymen molders and eighty apprentices, and cost the Union in strike benefits alone \$104,630.<sup>1</sup> It is, however, the trade agreement, rather than

<sup>1</sup> "Proceedings of the Twentieth Session" (Cincinnati, n. d.), p. 27.

the trade conflict with these associations, which has tended to enlarge the strike expenditures of the Iron Molders. To prevent independent manufacturers, not members of the associations, from enjoying competitive advantages as to wages and hours of labor, increasing emphasis has been laid on the policy of equalizing conditions in the trade, resulting in a series of protracted and costly strikes in all parts of the country. During the three years from 1899 to 1902, more than one hundred separate conflicts occurred at a cost to the Union of over a quarter-million of dollars.

*Beneficiary Expenditure.*—The introduction of a system of benevolent relief was not attempted by the Iron Molders until stability and influence had been acquired by the central organization. The leaders, however, early recognized that a beneficiary feature of some kind would, in addition to affording mutual insurance, attach the individual members more closely to the organization. Accordingly in 1870, a "death beneficiary association" was introduced under the auspices of the National Union.<sup>1</sup> Participation in this association was open to every member upon payment of an entrance fee of one dollar and an assessment of fifty cents upon the death of a fellow beneficiary member. Of this assessment, forty cents went to the heirs of the deceased and the remaining ten cents defrayed the cost of administration. The officers of the association were the president and the secretary of the Union and three trustees. The plan was fairly successful for a time, the membership numbering more than a thousand. The assessments were also paid with a degree of regularity that permitted prompt remittance of benefits. But as interest in the association declined fewer members joined and many old ones dropped out. The yield of the assessment fell off, and in 1882 the whole plan was abolished. The highest membership attained by this association was twelve hundred. Previous to 1874, the individual claims paid often amounted to five hundred dollars. During the two years following (1874-1876) fourteen claims were paid, the highest one of which amounted to two hundred and seventy-nine dollars. Between 1876 and

<sup>1</sup> "Proceedings of the Fourteenth Session" (n. p., n. d.), pp. 18-19; *Journal*, May, 1890, p. 12.

1878 the membership had so declined that only three claims were paid, two of one hundred and fifty dollars each, and one of one hundred and forty dollars. The expense of administration during these latter periods was equal to about fifty per cent. of the amount of the benefits paid.<sup>1</sup> In the meantime, another experiment of the same nature was being tried. The convention of 1874 made provision for a superannuation benefit to be paid members of twenty years' good standing who should become disabled, or grow incapacitated by age. Funds for this purpose were set aside for investment until 1879, when in consequence of the defalcation of the president the project was abandoned.

Upon the abandonment of the superannuation fund in 1879, a funeral or disability benefit of one hundred dollars was instituted. It was estimated that all claims arising from this benefit could be met by a monthly assessment of seven and one-half cents upon each member. This calculation proved at first approximately correct. During the first few years the death claims averaged about twelve a month, while the claims for total disability were comparatively few.<sup>2</sup> Many new members were brought into the organization, and the revenues available for the payment of the benefit grew correspondingly. Since the average age of new members is lower than the average age of those already in the Union and as a year's membership is required to entitle any one to the death or disability benefit, the increase in the receipts, arising from the election of new members, exceeded the increase in expenditure incurred thereby. In 1885 the death rate began to increase slightly, necessitating an increase in the monthly assessment to ten cents per member. This measure proved more than sufficient for its purpose. During the two years from July, 1886, to July, 1888, the receipts, including the balance in the fund, amounted to \$27,802.52, while the disbursements were only \$16,550.50, or less than two-thirds of the income.<sup>3</sup> A readjustment being necessary, the convention of 1888 reduced the monthly assess-

<sup>1</sup> "Proceedings of the Fourteenth Session" (n. p., n. d.), pp. 18-19; *Journal*, May, 1890, p. 12.

<sup>2</sup> "Proceedings of the Seventeenth Session" (Cincinnati, n. d.), p. 12.

<sup>3</sup> "Proceedings of the Eighteenth Session" (Cincinnati, n. d.), p. 30.

ment from ten cents to eight cents per member. Two years later, owing to the increase in membership, a further reduction to six and four-tenths cents per member was made. This reduction was excessive; during the following four years the receipts of the fund were barely sufficient to meet the disbursements, and in the latter part of the term ending July, 1895, there was an actual deficiency amounting to \$1,917.64.<sup>1</sup> To prevent the fund from being overdrawn in the future, the Chicago convention of 1895 appropriated as a subsidiary revenue two dollars of the local initiation fee. A rapid increase in the number of new members caused an extraordinary yield from this source. During the four years' term from 1895 to 1899, the total receipts from the two-dollar initiation fee amounted to \$6991.56. In the following three years (1899-1902) it rose to \$23,189.65, or over one-fourth of the revenue of the fund. An increase was thus made possible in the amount of benefit paid those who had been members more than five years. No further modifications have been made in the system. At the present time, members in good standing from five to ten years are entitled to a funeral benefit of one hundred and fifty dollars; those from ten to fifteen years and for fifteen years or over, to benefits of one hundred and seventy-five dollars and two hundred dollars respectively.<sup>2</sup>

The following table shows the receipts and disbursements of the death and total disability fund, as reported by the general secretary, since 1880.

Date	Interval	Receipts	Expenditures	Monthly per capita revenue
1880-1882....	2 years	\$16,597.00	\$12,000.00	\$ .07½
1882-1886....	4 years	32,429.92	32,400.00	.07½
1886-1888....	2 years	22,182.01	16,350.50	.10
1888-1890....	2 years	20,988.05	21,919.00	.08
1890-1895....	5 years	54,179.19	58,512.90	.064
1895-1899....	4 years	54,631.56	40,499.00	{ .064 and a \$2.00
1899-1902....	3 years	111,916.13	75,631.36	{ initiation fee

<sup>1</sup> "Proceedings of the Twentieth Session" (Cincinnati, n. d.), p. 48.

<sup>2</sup> "Constitution, adopted 1899" (Cincinnati, 1900), Article 17, sec. 15.

In 1895, provision was made by the national organization for the payment of a weekly sick benefit. Previously thereto, various forms of sick relief had been administered independently by many of the local organizations and with considerable success. The greatest objection to the local sick benefit was that members removing into the jurisdiction of one local from that of another were usually debarred by the rules of the local union from immediate participation in the benefit. Similarly, if a member who had paid dues for several years in a local granting sick relief removed into the jurisdiction of a union which lacked this feature, he was deprived of the benefit altogether.

As established by the Chicago convention of 1895 and at present in force, the sick benefit provides for a relief payment of five dollars per week, exclusive of twenty-five cents retained as dues. The benefit can be drawn for a period not exceeding thirteen weeks during a year commencing with the second week of the sickness or disability.<sup>1</sup> Any one is entitled thereto who has been a contributing member for more than six consecutive months and does not owe thirteen weeks' dues. In order to prevent delays or unnecessary formalities in the administration of the benefit, payment is made directly from a reserve fund held in trust by each local body. For the maintenance of this fund eight cents of the uniform weekly membership dues of twenty-five cents must be retained in the local treasuries. The general treasury maintains a sick-benefit relief fund, derived from the surpluses accruing in the local sick funds, and this central fund is employed in the prompt replenishment of local reserves when depleted by an unusual amount of sickness. The constant equalization of the local sick-benefit reserves, together with the strict administrative oversight exercised by the central office, has resulted most favorably. Both in its actuarial and in its economic aspects the system has been highly successful. Since January 1, 1896, when the sick benefit was first paid, the following amounts have been disbursed annually:

<sup>1</sup> "Constitution and rules, adopted 1895" (Cincinnati, 1895), Article 17, sec. 1.

## SICK BENEFIT EXPENDITURES IN THE IRON MOLDERS' UNION

Year	Membership	Amount paid out
1896 . . . . .	20,920	\$38,510.00
1897 . . . . .	23,003	36,720.00
1898 . . . . .	25,072	37,710.00
1899 . . . . .	28,941	57,495.00
1900 . . . . .	41,189	102,936.00
1901 . . . . .	48,115	118,515.00
1902 . . . . .	54,251	134,116.00
1903 . . . . .	64,472	179,355.00
1904 . . . . .	76,416	198,214.25

The growth in expenditure here represented is proportionate to the rapid increase in membership. In fact, at no time during the nine years that the sick benefit has been paid have the claims arising therefrom caused any marked impairment of the fund. Ordinarily the disbursements have exceeded the receipts only during the winter months of the year when illness is more prevalent and a greater demand for sick relief is to be expected. This seasonable deficit, however, is generally extinguished by the surplus of the spring and summer months. A large increase in disbursements for the sick benefit during the first six months of 1904 was due in part to the severity of the winter, in part to the depression in the iron industry during this period. Experience has shown that during dull times the percentage of members on the sick-benefit list is higher than during prosperous times. It has been inferred "that the benefits are paid out during times of depression in instances where the member is suffering from idleness rather than from diseases that would render him unable to labor."<sup>1</sup>

The assessment of eight cents per member per week, imposed for the maintenance of the sick-benefit fund, has proved excessive, since the actual per capita cost has rarely exceeded six cents, and at times has been somewhat lower. The resulting surplus in the fund is now employed as a means of affording remission of dues to unemployed members. The sick-bene-

<sup>1</sup> *Journal*, August, 1904, p. 590.

fit feature as inaugurated in 1896, excluded from participation members in arrears for dues for a period longer than thirteen weeks. This limitation aroused serious dissatisfaction on the score that loyal and well-meaning members were thereby deprived of sick relief when it was most needed. Certain large local unions sought to obviate the difficulty by adopting measures designed to keep their unemployed members in good standing. Thus local No. 28, of Toronto, made provision that any member continuously out of work two weeks or more, and reporting regularly to the financial secretary of the local, should be paid twenty-five cents from the local fund to be applied to the payment of his dues. A device of this kind worked well in prosperous times, but broke down in periods of depression, when a large number of members were idle and the unions were unable to pay the per capita assessment.<sup>1</sup>

Accordingly, in 1897, when it was definitely ascertained that the sick benefit of five dollars a week could be safely paid by a per capita assessment of seven instead of eight cents per week, it was decided to use the weekly surplus of one cent per member as a fund to afford remission of dues to unemployed members. The plan adopted and now in force provides that a member out of work through no fault of his own and unable to secure employment is entitled each week for a period not to exceed thirteen weeks in any one year to an out-of-work stamp which exempts him from the payment of dues.<sup>2</sup> The locals forward twelve and a half per cent. of the receipts of the sick-benefit fund, or one cent per member, weekly to support the out-of-work relief fund. Stamps are issued to the local unions from general headquarters by the general secretary, and for every stamp so issued eighteen cents is drawn from the fund maintained at headquarters for the purpose. Ten cents of the eighteen cents is placed in the general fund of the National Union and credited to the local to whom the stamp is forwarded. The remaining eight cents is placed in the sick-benefit fund. By this transaction the National Union

<sup>1</sup> *Journal*, November, 1896, p. 465.

<sup>2</sup> "Constitution and rules, adopted 1902" (Cincinnati, 1902), Article 19, sec. 1.

loses none of its revenue and the out-of-work member is retained in good standing.

The weekly income of one cent per member devoted to this purpose has been sufficient to meet the demands upon it. From October 1, 1897, to the close of 1900, the aggregate receipts were \$38,670.47, while the stamps distributed to out-of-work members amounted to \$6577.38.<sup>1</sup> This represented less than five hundred idle men in the organization. During the period from 1900 to 1903, in consequence of the prosperity in the trade, the showing was still more favorable and less than two thousand stamps were issued monthly.

*Administrative Expenditure.*—Administrative and miscellaneous expenditures in the Iron Molders' Union include (1) the expenses of "organizing," (2) the cost of office management and administrative salaries, and (3) the cost of conventions and conferences. The amounts spent for these purposes do not vary greatly from year to year as in the case of disbursements for strikes and benefits, and fiscal provision therefor is an easier matter. Since 1890, twenty-six per cent. of the regular per capita tax, a fraction over ten cents per member, has been sufficient to meet all charges of this kind.

(1) The cost of "organizing" constitutes the most important item in the group of administrative expenditures. In it are included the salaries and expenses of the Union's officials engaged in organizing locals and in settling trade difficulties. In its early days the revenues of the Iron Molders' Union were much too limited to permit extended activities of this kind. Whatever was accomplished was done either voluntarily by local leaders or by the president of the National Union largely at his own expense. Thus, in 1863, the president of the Union was directed by the convention to visit all localities where the number of non-union molders was sufficient to form a local organization. No available funds being appropriated for the purpose, he was compelled to collect his expenses as he went along. Local No. 1, of Philadelphia, then the leading local in the National Union and of which President Sylvis was a member, donated one hundred dollars to start him on

<sup>1</sup> *Journal*, February, 1901, p. 82.

the journey. In 1864, the president was given a salary sufficient at least to enable him to devote a part of his time to the work of "organizing."<sup>1</sup> With the growth of the Union the salary of the president has been increased from \$600 per year as originally fixed to \$1800 a year and travelling expenses at the present time.

In 1888, the vice-president was also granted a salary and made "assistant organizer,"<sup>2</sup> the president being designated "chief organizer." The success of his efforts led to an increase in the staff, so that at the present time there are four vice-presidents, one of whom receives \$1500, and the others \$1300 per year and travelling expenses. The total cost of the organizing corps at present exceeds \$16,000 annually, and tends to become greater each year. The disposition of the Union is to regard money so expended as profitably invested. It is estimated that the increase in membership resulting from organizing efforts not only adds efficiency to the Union in collective bargaining, but actually strengthens its financial resources in that the dues paid by the new members soon exceed the expense entailed in organizing them. Moreover, the services of the organizers, in settling trade disputes and in arranging conferences with employers, prevent wasteful expenditure for strikes. The Iron Molders may be expected to spend increasing amounts in the effort to bring every non-union man of the trade within the organization, and in supplying skilled negotiators in cases of threatened conflict.

(2) The cost of office management in the Iron Molders' Union is modest as compared with the volume of business transacted. Strict economy is practiced and the ratio of purely administrative expenses to total expenditures compares favorably with that of any insurance society or business corporation. The salaries of the officials and clerks are comparatively small. The secretary receives \$1400, the assistant secretary, \$1200, the financier, \$1300, and the treasurer, \$900 per annum; such members of the general executive

<sup>1</sup> *Journal*, March, 1889, p. 6.

<sup>2</sup> "Constitution and rules, adopted 1888" (Cincinnati, 1888), Article 4, sec. 6.

board as are not salaried officers receive \$6 per day and mileage when engaged in transacting business of the Union. The general executive board seldom meets more than twice or three times during the year, and the payment for the services of its members is relatively small, amounting to but \$5095.33 for the three years ending July 1, 1902.

The largest items included under office expenditures are those of printing, stationery, and postage. During the three years ending July 1, 1902, the total outlay for these purposes was \$42,856.96,—more than all other items of office expenditure taken together. An enormous amount of printing and correspondence is involved herein. Besides the quarterly reports, circular returns, remittance blanks, voting papers, and numerous others printed papers, circulars, and reports, all of which must be sent to the officers of every local and by them submitted to the members, there is the printing and distribution of constitutions, executive board conferences and convention proceedings, entailing a correspondingly heavy expenditure for postage and expressage. The cost of printing and publishing the monthly journal—*Iron Molders' Journal*—is only partly paid from the funds of the National Union. Since 1894, members subscribing to the journal have been required to pay a nominal price of twenty-five cents a year. The net cost of the journal to the organization since 1896 has ranged from \$2000 to \$4000 per annum. The present monthly edition is about 30,000 copies. The editor, who is an officer of the National Union, receives a salary of \$1500, which is included in the expense of publication. The receipts from this source, together with the income from advertisements, now pay more than two-thirds of the cost of publication, and only the deficit comes from the funds of the Union.

(3) Unlike many American unions, the Iron Molders' Union has almost from its inception paid from the central treasury the mileage and per diem expenses of the delegates sent to national conventions. This has involved a heavy expenditure, which has at times brought the organization to the verge of bankruptcy. The desirability, on the score of economy, of lengthening the intervals between the conventions early became apparent. In 1868, the annual convention

was replaced by the biennial. But even this reduction left the general treasury subject to periodic strain. As the number of locals increased, the delegates became correspondingly numerous and their keener rivalry, especially in electing the National officers, extended unduly the duration of the session. All this meant greater drain upon the funds of the Union and serious hindrance to the accumulation of an effective reserve. An example of the expense of these early conventions was the session of 1874 at Richmond, Va. Its total cost to the National Union, including the expense of printing the proceedings and the new constitution, amounted to \$6730. As there were eighty-seven delegates representing sixty-four locals, the average expense for each local was \$105. In addition to this, however, the locals are estimated to have spent from their own funds over \$3000.<sup>1</sup>

The biennial conventions were continued until 1878, when the interval was further lengthened to four years. After holding two sessions, however, the four-year period was found too long, and return was had to the biennial sessions. In order to lessen the cost, the expedient of making district organizations of the local unions the unit of the representation was adopted by the convention. This plan, however, did not meet the approval of the membership, and was accordingly not put into operation.<sup>2</sup> The number of delegates to every convention averaged about two hundred and fifty, each one of whom received, in addition to transportation expenses, a per diem allowance of three dollars, making the total cost of a convention to the National Union about ten thousand dollars. The National treasury suffered from this heavy expense to no purpose, since, as the policy of the organization became more settled, less legislation was required than formerly. The convention of 1890 accordingly abolished the regular biennial sessions, and established the present system, under which the local unions determine by vote, after a minimum period of two years has elapsed, whether or not a convention shall be held. In 1902, the minimum interval was changed to three years. In submitting the question to the locals, the general

<sup>1</sup> *Journal*, October, 1874, p. 74.

<sup>2</sup> "Proceedings of the Eighteenth Session" (Cincinnati, 1888), p. 11.

secretary also communicates the condition of the funds, so that before voting the membership is informed as to the ability of the organization to bear the expense of a convention. The result of this plan has been that conventions have been held at intervals varying from three to five years. Between 1892 and 1895 the question of holding a convention was submitted to the locals four times before voted upon favorably.

The following table gives in condensed form the cost of each general convention of the Iron Molders' Union since 1874:

Date	Number of delegates	Length of session	Cost in mileage and per diem
1874. ....	87	.....	\$5,609.03
1876. ....	78	9 days	3,844.60
1878. ....	54	9 days	2,926.35
1879. ....	28	4 days	797.20
1882. ....	153	11 days	11,479.08
1886. ....	249	11 days	10,539.18
1888. ....	271	10 days	13,664.27
1890. ....	108	10 days	17,143.36
1895. ....	312	13 days	14,005.00
1899. ....	311	14 days	24,019.68
1902. ....	385	20 days	50,670.72

A new but appreciable item of expenditure in the Iron Molders' Union is the cost of litigation. Prior to 1899, little was spent from the funds of the organization for this purpose. In fact, from 1890 to 1895, the single recorded item was fifty dollars for attorney's fees, and in the four years following the total expenditure was only \$187.36. More recently, however, the resort of employers to the use of the injunction against striking iron molders has led to larger expenditures. During the three years ending June 20, 1902, over \$2000 was spent in defending injunction suits.

Growth in financial resources has carried with it improvement in the fiscal administration of the Iron Molders' Union. From the crude and defective procedure of its early history, the organization has evolved a highly efficient system of financial control.

In the formative period of its organization, the Iron Molders' Union made slight provision for the maintenance of an administrative staff. Each National convention of delegates formally elected a president and a treasurer, whose duties were defined in the written constitution of the Union. Until provision for a financial secretary was made in 1886, the president drew all orders upon the treasurer for the payment of moneys legally expended. This, however, exhausted his fiscal responsibility, and during the first twenty-five years of the National Union the detailed care of the finances of the organization was left to the treasurer and his assistant. By 1886, however, the membership and jurisdiction of the National Union had grown sufficient to warrant the appointment of a salaried financial secretary, who is required to keep a regular book account of all transactions between the central office and the separate locals, and to publish at regular monthly and quarterly intervals a full statement of all matters of a fiscal nature relating to the organization. As the activities of the National Union have increased, the duties of the general secretary's office have grown, necessitating the employment from time to time of additional assistants and clerks, and the constant enlargement of the permanent office quarters.

The principal defect in the present financial administration of the Iron Molders' Union is the separation of the offices of the secretary and the treasurer, and the absence of the treasurer from general headquarters. For many years the general secretary has been located at the central office in Cincinnati, while the general treasurer has resided in some other city. This has entailed an unnecessarily large amount of correspondence both on the part of the general secretary and the local officials, since in making remittances the locals must forward the money to the treasurer, and send a corresponding record to the secretary. Undue delay in the payment of benefits and other obligations also results from the separation of the two offices, since several days must ordinarily elapse before a response to an order upon the treasurer for funds is received. To obviate these inconveniences ex-President Martin Fox has urged that the offices of secretary and treasurer be combined in one person,—a policy pursued by many

American trade unions.<sup>1</sup> Fear lest the safety of the Union's funds be endangered thereby, has, however, prevented the adoption of this plan.

The inauguration of the sick benefit in 1895 led to the appointment of an additional fiscal officer, known as the financier, charged with the special duties of keeping record of the standing of individual members, the amount of tax paid by each local union, and the condition of the sick-benefit funds. He receives from the local financial secretaries and correspondents regular monthly reports, giving the names of all members paying dues, the amount of sick benefits paid to each, and the condition of the local sick-benefit fund. These reports, although a serious burden to local officials, are invaluable in affording full information as to the financial condition of the local unions and the standing of individual members. Before 1900, the membership records were preserved in a series of large ledgers specially prepared for the purpose. This system necessitated the opening of new books and the rewriting of the names of the entire membership every few years. At present a card system is employed for the keeping of the membership records. By this method the financial record of a member during a period of twenty-five years can be written upon a single card. The cards are placed in a fire-proof safe in numerical order (each member is referred to by his number) and access can easily be had to any card when required.

This close supervision of the finances of the local unions serves as a check upon abuse in the local administration of the beneficiary features. Thus, upon several occasions, an examination of the monthly sick-benefit records transmitted to the financier disclosed abnormally heavy benefit payments in certain localities known to be healthful. Suspecting fraud, the financier obtained the consent of the general executive board to employ in each of these communities a reputable physician to certify the claims for sick benefits, with the result of a speedy reduction in the excessive sick rate to a normal figure.<sup>2</sup> Another abuse of the sick-benefit feature, recently

<sup>1</sup> "Proceedings of the Twenty-second Session," in *Journal Supplement*, September, 1902, p. 623.

<sup>2</sup> "Report of Financier for the term ending July, 1902," in *Journal*, September, 1902, p. 643.

detected by the financier, was the reinstatement of members suffering from incurable diseases, after they had once received the full thirteen weeks' benefit, equal to \$68.25, and had been dropped from the rolls of the Union. To correct this, the general executive board has prohibited the reinstatement of a member suffering from any ailment liable to interfere with his steady employment at the trade.<sup>1</sup>

The safe custody of the funds of the organization has always been a serious problem to the Iron Molders' Union, not only by reason of the large sums which must be entrusted to its officials, but also because as an unchartered association, the Union is without full legal remedy against fraud and misappropriation. The method employed has been the appointment of bonded trustees, at present seven in number, who are jointly made the guardians of all balances accumulating in the hands of the treasurer. These trustees, who are chosen by the conventions from different local unions largely with respect to integrity and fidelity to the organization, either deposit the funds in an accredited bank or invest them in United States bonds in their own names and that of the president of the Iron Molders' Union. Joint responsibility and incapacity to act individually tend to reduce the liability to misappropriation. Each trustee, as a further safeguard, is bonded to the president of the Union in the amount of \$4000. Bonding provisions have also been adopted in the case of other officials handling the funds of the Union. The treasurer is required to furnish surety to the amount of \$25,000 to the executive board of the Union and is not permitted to have under his control more than \$15,000 at one time. The general secretary is similarly bonded in the sum of \$5000 and is not permitted to hold at one time more than \$750 of the Union's money. The funds of the Iron Molders' Union are thus entrusted to three different officers, all of whom are bonded in proportion to the respective sums held by each,—(1) the treasurer, to whom is remitted the regular revenue of the order, (2) the general secretary, who receives from the treasurer funds sufficient to meet the current charges of the cen-

<sup>1</sup> *Journal*, July, 1904, p. 509.

tral office, and (3) the board of trustees, who in conjunction with the president act as guardians of all reserve funds in excess of \$15,000.

The measures now taken to safeguard the funds are due more to bitter experience than to wise foresight. As in so many other labor organizations, the Iron Molders' Union has not been free from defaulting officials. As far back as 1878, the defalcation of a president made necessary a call for a special convention. This official, who for nine years had been the trusted executive of the National Union, had been given sole charge of the investment of the "superannuation fund," then accumulating for investment. When almost four thousand dollars had been received by him for this purpose, it was discovered by the trustees that, instead of investing the money as directed, he had appropriated it for his own use. Not being bonded the only penalty he could be made to suffer was expulsion from the Union.<sup>1</sup> More serious was the defalcation in January, 1884, of the treasurer of the Union. The total amount involved was \$19,864.46, of which \$6,000, the full amount of his surety, was recovered from the bondsmen. In this instance the fault was due both to inadequate supervision and to insufficient bonding.<sup>2</sup>

In addition to more efficient means of protecting the Union's funds, there has been marked improvement in the provisions for auditing official accounts. It had been the practice from the early days of the organization for each convention before adjournment to designate two or three local unions, who should appoint one of their number to act as auditor of the financial accounts of the president and of the secretary, and to publish a report thereof in the official journal. This rule is still in force; but in consequence of the long intervals between the sessions, it has become inadequate. More effective means are now employed to discover discrepancies in the accounts of the general officers, by requiring both the secretary and the treasurer to issue simultaneously quarterly re-

<sup>1</sup>"Proceedings of the Sixteenth Convention" (Cincinnati, 1882), p. 22.

<sup>2</sup>"Proceedings of the Seventeenth Session" (Cincinnati, n. d.), pp. 6-7.

ports, containing itemized statements of the accounts of the local branches with the National Union, with much further detailed information as to the financial condition of the national organization. The board of trustees, acting jointly, are also empowered to require from all officers handling Union funds full and detailed statements of the financial transactions of their respective offices.<sup>1</sup> Surrounded by such safeguards, no misappropriation of National funds has occurred since 1884. This, however, cannot be said of the local unions, and shortages in the accounts of local officials are not infrequently reported.

In addition to more effective administrative service and more adequate protection of Union funds, notable progress has been made in the Iron Molders' Union towards closer fiscal relations between the central office and the local branches. Prior to 1895 the locals were often indebted in large amounts to the National Union for the per capita tax and other charges. For example, in 1888, the arrearages of the local unions amounted to \$39,699.30, whereas the total balance then in the general treasury was slightly more than \$29,000.<sup>2</sup> In the following years this condition improved but little. Besides the acknowledged arrearages there was considerable outright evasion of the per capita tax by the locals, the president reporting in 1895, that "from careful calculation," he "had come to the conclusion that less than seventy-five per cent. of the per capita tax reached the coffers of the national organization."<sup>3</sup>

When the Iron Molders' convention in 1895 enforced upon the locals a system of uniform dues and benefits, sufficient control was acquired over the local funds to insure the financial solidarity of the organization. To minimize losses a plan of collecting Union revenue, described as the "stamp receipt system," was instituted along with the system of uniform dues and benefits, and is now in force. According to this plan, each local, in return for the per capita tax remitted to

<sup>1</sup> "Constitution and rules, adopted 1902" (Cincinnati, 1902), Article 4, sec. 12.

<sup>2</sup> "Proceedings of the Eighteenth Session" (Cincinnati, n. d.), p. 31.

<sup>3</sup> "Proceedings of the Twentieth Session" (Cincinnati, n. d.), p. 12.

the National Union, receives from the general secretary an equal amount in stamp receipts. These stamp receipts are affixed to the members' books upon the payment of dues, and no member is considered in good standing unless he can show for the period covered, the requisite number of stamps properly dated and cancelled. Since no other form of receipt is recognized by the National Union, and remittances must accompany orders for stamps, the locals have little opportunity to evade their share of the per capita tax or benefit assessments.

A further measure employed to secure efficient fiscal relations between the National Union and the locals is the appointment of a corresponding representative in each local, to act as the financial agent of the National Union. All money due the central office must be first turned over to him to be sent to the general treasurer. In like manner, he acts as receiver of all funds sent to the locals for strikes or other purposes.<sup>1</sup> Friction with the local unions is thus avoided and the financial interests of the national organization are protected. The introduction of uniform methods of bookkeeping in the local branches has also contributed to the fiscal efficiency of the Iron Molders' Union. Books are prepared by the central office for the use of the local officials and prove a valuable aid in reducing the confusion and difficulties incident to the keeping of the local accounts. Every local official whose duties involve some sort of bookkeeping receives detailed instructions as to the methods of accounting, and local bookkeeping and auditing, the sources of much difficulty in trade-union administration, are simplified.

Improvement in fiscal organization and enlargement of financial resources have been important factors in enabling the Iron Molders' Union to maintain a foremost place among American trade unions. With a direct contribution of but twenty-five cents per week per member, supplemented by a few minor charges, the organization has survived severe industrial depressions, has conducted expensive and protracted strikes, has secured the adoption of trade agreements by combinations

<sup>1</sup> "Constitution and rules, adopted 1902" (Cincinnati, 1902), Article 5.

of employers, and has put into operation a successful system of beneficiary relief. Thus, during the year 1904, which in consequence both of the depression in the iron industry and the open hostility of the National Founders' Association witnessed a severe test of the financial strength of the Union, the Iron Molders' Union paid out \$266,283.43 in strike benefits, \$198,214.25 in sick relief, and \$53,786.40 in death and total-disability benefits. Together with official administrative expenses amounting to \$74,586.97, the total disbursements of the National Union during the year thus aggregated \$592,871.05—an expenditure met directly from its own funds and without any serious impairment of its material resources. To-day, the Iron Molders' Union stands as well equipped financially as at any previous period of its history, and is "prepared to face the future with courage and confidence."<sup>1</sup>

<sup>1</sup> *Journal*, February, 1905, p. 102.



V

THE MINIMUM WAGE IN THE MACHINISTS'  
UNION

BY

WILLIAM H. BUCKLER



## V

THE MINIMUM WAGE IN THE MACHINISTS'  
UNION

IT is well known that the establishment of a minimum wage for the workingmen of a particular trade is one of the main objects to which any union representing that trade sooner or later devotes its energies. The workingman's reasons for aiming at this object have come to be so generally understood that they need not here be dwelt upon. But the means by which the minimum wage is maintained and the modifications of trade-union policy which that maintenance involves are matters which seem to deserve more attention than they have hitherto received.

Upon these questions generalization is of little value, since each trade presents a distinct problem. Apart from the influences affecting the general level of wages, with which we are not here concerned, the minimum wage in any craft may be affected by one or more conditions peculiar to that craft. The effectiveness of its organization, the rapidity with which fresh workers are added to its ranks, the invention of improved processes, the introduction of new systems of remuneration are points in which one trade may differ greatly from others, and all have an important bearing on the minimum wage. When in any craft conditions do not vary, the maintenance of its minimum rates is comparatively simple. Of this a good illustration is furnished by the Wire Weavers, who manufacture the wire cloth used in paper mills. Having a strong organization, with methods of production that have not changed for many years, they have had no difficulty in preserving a scale of wages. But we shall find other crafts in which the maintenance of minimum rates is more or less difficult, because of changes in some one of the surrounding circumstances. It would seem wise to fix our attention upon

a trade the conditions of which are variable, and in which the minimum rates may therefore be said to have an unstable equilibrium.

The machinists' trade has been chosen as the subject of this chapter on account of the many difficulties which have attended the maintenance of its minimum rates. Not only have the machinists had to grapple with the ordinary problems of trade unionism, but they have been confronted with a variety of wage-systems probably greater than has fallen to the lot of any other group of workers. There are in actual use among American machinists at the present day not only the ancient method of payment according to time, but also the piece-work, differential rate, bonus, premium, and contract systems. The adoption and perhaps the ultimate success of any one of these systems may depend upon the attitude assumed towards it by the Machinists' Union, and this attitude must, to some extent, depend upon the question whether under that system a minimum rate can be maintained.

The history of the most important unions in the American machinists' trade will be briefly summarized in order that their strength at different periods may be understood.

The first successful attempt made in this country to organize machinists on a large scale was the establishment in Philadelphia, on March 2, 1859, of the Grand Union of Machinists and Blacksmiths of North America.<sup>1</sup> The name of this association was subsequently changed to International Union of Machinists and Blacksmiths of North America, and again to Machinists' and Blacksmiths' Union of North America.<sup>2</sup> The association was incorporated under the laws of Ohio on August 22, 1871.<sup>3</sup> When Mr. John Fehrenbatch was elected president in September, 1870, this Union is said to have had scarcely fifteen hundred members in good standing, but under his guidance its membership increased to fifteen thousand in 1872, and to nearly twenty-eight thousand in 1874. In 1862 it began the publication of a monthly

<sup>1</sup> *Machinists' and Blacksmiths' Journal*, Vol. 9, p. 564.

<sup>2</sup> "Proceedings 1874 Convention of Machinists' and Blacksmiths' Union," p. 88.

<sup>3</sup> *Machinists' and Blacksmiths' Journal*, Vol. 8, p. 343.

journal, and as the Union grew this journal was much increased in size. Other signs of vigor were also displayed. A mutual life insurance department was instituted, and at Cleveland, in June, 1874, a coöperative store was organized. But the business depression lasting from 1874 to 1880 proved fatal to the Union, and its members fell away into the ranks of the Knights of Labor, who were just then beginning to increase in influence and in membership. The Machinists' and Blacksmiths' lodge in Cleveland, where the Union had its national headquarters, was disbanded in July, 1877, and was subsequently merged in the local district assembly of the Knights of Labor. From this event may be dated the downfall of the Machinists' and Blacksmiths' Union, though its nominal existence continued for some time longer.

During the next ten years the only workingmen's organization to which machinists could belong was that of the Knights of Labor. We cannot tell the exact number of machinists enrolled in that body at any one time, but in 1886 they are said to have numbered 18,000. At length in May, 1888, a few machinists employed in a railway shop at Atlanta organized a union for machinists only under the name of United Machinists and Mechanical Engineers. In 1889 this title was changed to that of National Association of Machinists, and in 1891 to that of International Association of Machinists (so as to cover Mexico and Canada), since which time the Union has steadily grown, till it is now larger and better organized than ever before.

In consequence of its Southern origin, its membership was by the original constitution limited to "white" machinists, and it was thus disqualified for affiliation with the American Federation of Labor. In 1891, therefore, the International Machinists' Union, a rival organization not possessing the obnoxious "color line" was launched under a charter from the American Federation. This union had, in August, 1893, about 2000 members distributed among thirty-two local lodges. But in the following year the International Association of Machinists, having eliminated the "color line" from its constitution, became affiliated with the American Federation of Labor, and this body thereupon withdrew the charter of

the International Machinists' Union, which soon afterwards died out.

There has also existed for many years in this country a branch of the great English machinists' union, the Amalgamated Society of Engineers, which branch is almost entirely composed of Englishmen who have migrated to the United States and Canada. The relations of this body with the American machinists' union have at times been by no means friendly, but the Amalgamated Society seems never to have made any effort to enlist American workingmen. Its total membership has thus remained relatively small, and has never been more than about 2000. On the other hand, the International Association of Machinists had in June, 1899, nearly 30,000 members.<sup>1</sup> Five years later this number had more than doubled, and since the absorption in October, 1904, of the Allied Metal Mechanics, the International Association of Machinists has had a membership of about 80,000. Its monthly journal, which is one of the best trade-union periodicals in this country, is now in its seventeenth year, and is a valuable repository of data bearing upon trade unionism.

Thus from 1860 to 1877 the interests of the American machinist have been mainly represented by the International Union of Machinists and Blacksmiths, from 1877 to 1888 by the Knights of Labor, and from 1888 to the present day by the International Association of Machinists.

Two other preliminary questions call for some explanation: (1) What is a machinist? (2) What is meant by the term minimum rate?

1. A machinist is a skilled workman engaged in the making or repair of machinery. But his work is very different now from what it was thirty-five years ago. Up to 1870 the machinist might fairly have been described as a carpenter who worked in metal instead of wood. The two main classes of machinists were the bench or vise hands and the floor hands, and in both cases the analogy from carpentry was applicable. The bench hand placed his work on a bench or in a vise and

<sup>1</sup> *Journal of the International Association of Machinists*, Vol. 11, p. 345.

shaped it with small hand tools. Or else, where turning was needed, he placed it on a lathe, the operation of which required considerable manual skill. The floor hand, who resembled the joiner or building carpenter, took the finished pieces of metal as they came from the bench hand and with them constructed the complete engine or machine. His work in assembling, fitting or joining the parts was likewise done with hand tools. In the past thirty-five years, however, the character of the machinist's work has been gradually revolutionized by the introduction of large and costly machines driven by steam or electric power, the action of which is more or less automatic. Such are the planing machines, milling machines, slotting machines, drilling machines, turret lathes, etc., of the modern machine shop. Thus the machinist of the present day, instead of working mainly with hand tools, has become an operator of powerful machine tools, which do the work faster and with greater accuracy than was possible under the old conditions. Bench work and floor work have not indeed disappeared, especially in shops where the construction or repair of large machines or engines is carried on, but their importance has been greatly diminished by the increasing use of machine tools. Again, the manufacture of those tools now gives employment to tool makers and die sinkers, who constitute distinct groups in the general body of machinists.<sup>1</sup>

As the work of the modern machinist has become wonderfully differentiated, so the skill which he is now expected to possess has many varying degrees. He is engaged far less in making machines than in making parts of machines, and he needs not only skill in adjusting the material on the tool, but also knowledge and experience in the size of cuts or in the speeds and feeds under which a given machine-tool can do its most effective work. Thus there has arisen the important distinction, which was formerly unknown, between the all-round machinist, who can interpret a blue-print and execute any part of the work required by it with any tool or on any

<sup>1</sup> The minimum rates of tool makers, etc., are higher than those of machinists in the same place. *Journal*, Vol. 12, pp. 139, 258; Vol. 13, p. 259; Vol. 14, p. 214; Vol. 15, p. 251.

machine, and the specialist (*e. g.*, the planer hand or the slotting-machine hand), who can only do work of a particular kind on a particular machine. This differentiation has furthermore resulted in the breaking away from the Machinists' Union of certain groups of workers employed in machinists' work (*e. g.*, the elevator constructors), though other groups (*e. g.*, the tool makers) still remain within the machinists' fold.

2. The minimum rate means the lowest rate of wages which a machinist who has completed his training is allowed by the Union to receive. It differs greatly in different places, but it is always in fact what it purports to be, a minimum, never a maximum rate, nor one intended to apply to all machinists in a given shop.<sup>1</sup> The Union says to the employer "for a certain kind of work you shall not pay less than a certain sum,"<sup>2</sup> but it does not insist that the more highly skilled workman who can do better work shall not be more liberally rewarded.

This recognition by the Machinists' Union of rates of wages far higher than the minimum seems to be a necessary result of the great diversity in degrees of skill which the development of the machinists' craft has brought about. The highly skilled workers, whose services are in constant request and who command a high rate of wages in the open market, occupy a position of great independence, and would scarcely retain membership in the Union if it involved a permanent levelling down of their wages. In its desire to retain these valuable men in its ranks the Union must tolerate their higher rates of pay. On the other hand, the maintenance of the minimum wage, though it may seem especially designed for the benefit of the weaker and less skilled machinists, undoubtedly affords protection also to the more highly paid men. If, in a shop where the wages ranged from 25 cents to 35 cents per hour, the men receiving the minimum of 25 cents should have their wages reduced, or their working hours increased without additional pay, the men receiving the maximum of 35 cents

<sup>1</sup> *Journal*, Vol. 9, p. 111; Vol. 10, p. 514; Vol. 13, p. 869; Vol. 16, p. 430.

<sup>2</sup> *Ib.*, Vol. 5, p. 245; Vol. 15, p. 947.

would find it hard to resist a similar reduction. It is the sense of this common danger from the possible lowering of the minimum rate which rallies to its support the more highly paid machinists as well as those who receive only the minimum rate, though the respective interests of the two classes would at first sight appear to be antagonistic.<sup>1</sup>

That some degree of antagonism does exist between them, and that jealousies may spring up between the ordinary machinist and his more highly paid fellow-worker, is shown by the feeling sometimes displayed among union machinists against the prevalent system of classifying wages. For instance in 1893 a strike was caused in Paducah by the proposed grading of machinists in a railway shop from \$2.50 to \$2.75 per day. The men objected to a superintendent having the power "to say who should get \$2.50 and who should get \$2.75."<sup>2</sup> Again in 1895, the *Machinists' Journal* uttered an editorial protest against the practice of classifying men in the Navy Yards; and in 1900 the convention of the American Federation of Labor passed a resolution instructing their council to try to change the Navy Department rules, so that machinists might be employed only under one class, which should receive the standard rate of wages.<sup>3</sup> On the other hand, the rise of the specialist and the increasing diversity of machinists' work to which attention has already been called, seem to make the division of machinists into classes, and the payment to each class of a different rate of wages, more necessary now than ever before.

This was tacitly recognized by the International Association of Machinists, when in 1903 it changed its constitution so as to permit the admission into its ranks of specialists and others working in the machine shop who could not be described as machinists. Prior to 1903 the constitution admitted "any workman performing the work of a machinist . . . provided he receives the minimum rate of wages paid in his locality," but since 1903 this section has been so amended as to admit

<sup>1</sup> See *Journal*, Vol. 12, p. 76, where men rated at \$2.50 per day were satisfied with their wages, but struck in support of those receiving less.

<sup>2</sup> *Ib.*, Vol. 5, p. 262.

<sup>3</sup> *Ib.*, Vol. 7, p. 460; Vol. 13, p. 73.

"any person working in a machine shop and engaged in any manner with the making and repairing of machinery . . . provided he receives the minimum rate of wages of *his class* in his locality."<sup>1</sup> Here, instead of finding a minimum rate for all machinists in a given place, we are confronted with a new system, in which each class has its own minimum rate. This amounts to a recognition by the Union of the differences existing in the wages of machinists possessing different degrees of skill.

It should further be explained that the term minimum rate or wage does not in this country always mean the same thing as the term standard rate or wage. On account of its ambiguity the word "standard" has here been avoided, although its use in this connection by Mr. and Mrs. Webb has made it almost classic. The distinction in the machinists' trade between the standard and the minimum rate can best be explained through a concrete illustration. In 1900, at the Norfolk and Western Railway shops in Roanoke the following wages were paid to the following machinists: 8 men each received 20 cents per hour; 7 men each received 22 cents per hour; 39 men each received 23 cents per hour; 79 men each received 24 cents per hour; 6 men each received 25 cents per hour; and 6 men each received 27 cents per hour.<sup>2</sup> In this case the minimum wage was 20 cents, while the standard wage was that received by the largest number of men in the shop, namely 24 cents per hour. The distinction is further illustrated by an agreement made in 1903 between the "Soo" Railway and the International Association of Machinists, in which it is stipulated that in the machine shops of the railway company the minimum rate shall be 30 cents per hour and the standard rate 34 1-2 cents per hour.<sup>3</sup> In the average machinists' agreement, however, this distinction is not made, and the standard rate or minimum rate is alone mentioned. In such cases the term standard rate usually denotes the rate paid to the largest number of men in the given shop, though of

<sup>1</sup> *Journal*, Vol. 15, pp. 586-590; Article 1, sec. 1. Sub. Lodge Constitution, 1903.

<sup>2</sup> *Ib.*, Vol. 12, p. 515.

<sup>3</sup> *Ib.*, Vol. 15, p. 956; Vol. 12, p. 578.

course it may often happen that the standard coincides with the minimum rate and that they may therefore be used in an identical sense.

The influence of the trade union on the minimum rate and the reciprocal influence exerted on trade-union policy by the existence of that rate can best be discussed by considering separately two sets of causes: (1) those in which the union takes the initiative, with the avowed purpose of fixing or upholding the minimum; (2) those in which the union has no initiative, but where circumstances over the origin of which it has no control compel modifications of its policy for the sake of fixing or upholding the minimum.

As we are limiting ourselves to a particular craft, we may place under the first of these classes (a) the maintenance among machinists of a strong trade-union organization; (b) the 'fixing of minimum rates by the machinists' unions through agreement with their employers; (c) the limitation by the Union of the machinists' working hours; (d) the control by the Union of the admission of workers into the machinists' trade.

In the second of these classes may be placed (a) dullness or activity in the machinists' trade; (b) the invention in that trade of new manufacturing processes; (c) the introduction into that trade of new methods of remuneration.

## I

*Strength of the Union Organization.*—We are not here concerned with the much debated question whether the better form of workingmen's organization is of the trade or of the industrial type. Our object is simply to point out that, if the workingman desires to have a minimum scale established, the union representing his craft needs to be strong externally as well as internally.

In the first place it is evident that workingmen banded together in a single union, which is externally strong and well equipped for defence, can bargain with the employer more effectively than they can if divided into two or three separate bodies. In the latter case there must always be a certain

danger to each body from the competition of the other bodies which are necessarily its rivals. In the second place, since fixity in the scale of wages can only be secured by agreement between workingmen and their employers, it seems clear that in order to effect such an agreement the union must be internally strong and well disciplined, so that the employer may feel assured that it can carry out its share of the bargain. These *a priori* considerations are borne out by the actual experience of the machinists.

To prevent internecine strife among organized groups of workingmen in the same trade has been one of the principal functions of the American Federation of Labor, though it is one which seems increasingly difficult to perform.<sup>1</sup> The machinists' organizations have furnished several instances of pernicious rivalry,<sup>2</sup> and the bad effects of such rivalry upon wages in that craft can best be illustrated from the struggles that have taken place in the last few years between the International Association of Machinists and the American Branch of the Amalgamated Society of Engineers. Twice in his biennial reports to the Machinists' conventions, their president, Mr. O'Connell, has complained of the unfriendly attitude of the Engineers. In February, 1901, the executive council of the Federation of Labor requested the Amalgamated Society of Engineers (which includes pattern-makers and blacksmiths as well as machinists) to allow its members to join the unions of their respective crafts in America, "so as to eliminate the contention now existing here as to discipline, . . . wages and general management."<sup>3</sup> And in 1903 open hostility between the Amalgamated Society and the International Association showed itself at Kingston, Ontario; in Boston and in Chicago. In the last of these cases it was alleged by the Association that during its strike against certain Chicago firms the president of the Amalgamated Society "presented an agreement to the firms in question which called for less

<sup>1</sup> See President Gompers' Report to A. F. L. Convention, 1903, and Special Committee's Report in A. F. L. Convention Proceedings, 1904, p. 36.

<sup>2</sup> *Journal*, Vol. 12, p. 18; Vol. 10, p. 647; Vol. 11, pp. 125, 332, 498.

<sup>3</sup> *Ib.*, Vol. 13, p. 568; Vol. 15, p. 487; Vol. 13, pp. 176, 468.

than we were striking for, and also agreed to furnish them with a sufficient number of men.”<sup>1</sup> Again, during the long Kingston strike in 1903 Amalgamated men took the places of the striking Association men. In consequence of these hostilities the Federation of Labor in 1903 revoked its charter to the Amalgamated Society; but at length in June, 1904, peace was declared by an agreement providing that the two organizations should co-operate in all strikes sanctioned by their respective international officers, and that neither body should accept as a member anyone who had failed to fulfil his duties to the other.<sup>2</sup>

An example of the other form of injury which a rival organization may inflict upon the union, by impairing its internal strength and its reputation for honest dealing with employers, was furnished in 1903 by the strife between the International Association of Machinists and the United Brotherhood of Railway Employees. This organization, having enlisted in its ranks many of the Association machinists employed by the Canadian Pacific Railway, caused them to join in its strike against that company, and so to violate the formal agreement as to wages, etc., existing between the company and the Machinists’ Association. Fortunately for itself the Association was strong enough to compel these men to return to work under the terms of its agreement.<sup>3</sup>

In order therefore to give adequate support to its minimum rates, the machinists have had to build up an organization strong enough not only to conduct a successful strike when wages were in dispute, but also to enforce compliance with rates of wages that had once been agreed to. The advantages from the minimum wage standpoint of possessing a strong organization in the craft will be further illustrated by the results mentioned below, since the attainment of those results has clearly depended upon the strength of the Machinists’ Union.

*Fixing of the Minimum Rate by Agreement.*—The practice of making for a fixed period written agreements, in which

<sup>1</sup> *Journal*, Vol. 15, p. 210.

<sup>2</sup> *Ib.*, Vol. 15, p. 487; Vol. 16, p. 489.

<sup>3</sup> *Ib.*, Vol. 15, pp. 411, 488.

rates of wages, etc., are fixed by the joint action of the machinists and their employers, is comparatively modern and has undoubtedly grown with the increasing power of the Union. When the practice first originated in this craft we are unable to say. But if we compare, even in a cursory fashion, the records of the Machinists' and Blacksmiths' Union and of the Knights of Labor and the early journal of the International Association of Machinists with the journals of the same Association for the past five years, we shall notice that since the recent development in the strength of the Association the number of such agreements has enormously increased. Doubtless the conception of a fixed minimum scale of wages originated long before it became customary to have that scale embodied in a written contract, yet there can scarcely be any question but that the practice of making such contracts has done much to popularize the notion and to insure the observance of minimum scales.

While it would be useless as well as tedious to attempt a summary of all the agreements between machinists and employers or groups of employers, with which the pages of the recent journals are filled, in all of them the minimum wage is one of the most important features. The agreement as a rule stipulates what that minimum wage shall be for a period of one year, and it sometimes provides that upon sixty days' notice any article in the agreement may be changed, but that during this period no strike or lockout shall take place.<sup>1</sup> In some cases the minimum is not expressly mentioned, and the existing rate of wages is merely confirmed.

Apart from the clause fixing the minimum rate, the most important clause found in these agreements and having a bearing on the rate is that which provides that only members of the Machinists' Union in good standing shall be employed. Such a provision, however, is often omitted. Agreements containing the clause are usually designated as "union shop," those omitting the clause as "open shop" agreements. Sometimes the two varieties are combined in a single agreement, as in that of 1901 between the Machinists' Association and the

<sup>1</sup> See G. N. Ry. Agreement in *Journal*, Vol. 13, p. 444.

Metal Trades Association of Columbus, Ohio, under which four manufacturers agreed to hire only members of the Association, while eleven others made no such promise.<sup>1</sup> Sometimes again, by way of a compromise between the union shop and the open shop, an employer agrees that "he will give preference" to union machinists.<sup>2</sup>

The union-shop clause is intended to serve several purposes, that of providing employment for members of the union, that of increasing membership of the union, and that of making the shop instrumental in keeping up the dues paid by union men; but one of its main objects is to protect the minimum wage. In its latter capacity the clause is meant to guard against three dangers of the open shop. First, there is the risk of non-unionists being employed at wages lower than the minimum. Secondly, should there be a strike against a reduction of the minimum in which the non-unionists did not join, the hampering of the employer in his work might not be sufficient to render the strike successful. Thirdly, if such a strike occurred in which the non-unionists did join, the lack of union funds to support them while out of work might compel them to accept the reduced rate of wages. Consequently the machinists' unions, whenever they can do so, insist upon the insertion into their agreement of the union-shop clause.

To this rule, however, there is one great exception: in the agreements with railway companies that clause is never found. The main reason for its omission has been pointed out by Professor Commons in a recent paper.<sup>3</sup> The minimum rates and other conditions of employment in railway shops, though they may be fixed by an agreement with the Union, are not issued as such, but are published as rules of the company applicable to the entire railway or to large sections of a railway system. The non-union machinist is thus employed in the shops of the railway company on the same terms as the union man, so that there is not much risk of the rate of wages paid to the latter being surreptitiously reduced by the under-bidding of the former. If the company cuts down the rate

<sup>1</sup> *Journal*, Vol. 13, p. 260.

<sup>2</sup> *Ib.*, Vol. 11, p. 772.

<sup>3</sup> "Proceedings American Economic Association," 1905, pt. 1, p. 153.

of wages, it does so in an open manner by the publication of a notice announcing the reduction. We sometimes find in the railway regulations as to machinists' work an article expressly providing that "no machinist will be employed for less than the minimum rate of wages,"<sup>1</sup> but the mere official announcement of the rate has usually been considered a sufficient safeguard.

Another reason why the union-shop agreement is less necessary in the case of railway agreements is that the railway machine shops, like those under the control of the government, are not exposed to the keen competition with which contract machine shops have to contend. An evidence of this fact is that the minimum scale of railway shops is usually higher than that of contract shops in the same place.<sup>2</sup> The managers of the railway shops have less temptation than those of the contract shops to break their agreement with the Union by cutting down the minimum rate. Nevertheless we find that violations did occur in railway shops in the hard times of 1893,<sup>3</sup> and if the same thing were to be repeated, the railway machinists might hereafter find it to their interest to demand the union-shop clause.

It is noticeable that the owners of contract shops, who accept this clause in their agreements with the union, are usually engaged in some branch of manufacture which depends for its success upon the patronage of workingmen, or to which the use of an union label is valuable, or which an union boycott could injure. Thus the Anheuser-Busch Brewing Company of St. Louis employs none but union machinists.<sup>4</sup> The L. S. Starrett Co. of Athol, Mass., which advertises its union tools in the *Machinists' Journal*, has its shops similarly unionized, and so also have the makers of horse-nails, whose chief customers, the horseshoers, show a decided preference for goods bearing the union label.<sup>5</sup> So also, the Crown Cork & Seal Co. of Baltimore, which manufactures the patent stoppers

<sup>1</sup> *Journal*, Vol. 13, p. 142.

<sup>2</sup> *Ib.*, Vol. 10, p. 270; Vol. 12, p. 686; Vol. 16, pp. 153, 530.

<sup>3</sup> *Ib.*, Vol. 5, pp. 161, 407.

<sup>4</sup> *Ib.*, Vol. 10, p. 514; Vol. 14, p. 733.

<sup>5</sup> *Ib.*, Vol. 8, p. 90; Vol. 10, pp. 258, 756; Vol. 14, p. 452.

so largely used by breweries, and which experienced in 1897 the damaging effects of a machinists' boycott, has since that year consented to conduct a strictly union shop.<sup>1</sup> Another large Baltimore firm, which manufactures gas-holders, structural iron work, heating apparatus, and other kinds of steel or iron work upon which much labor has to be expended after they leave the factory, has unionized its entire shop on account of the inconvenience to which it might be put by the workingmen of other places, if the material which it sent out to be erected were not of union make. Since special reasons such as these are usually needed to induce the employer to become a party to a strict union agreement, it is not surprising that the Machinists' Union, in many of its agreements, does not succeed in obtaining the union-shop clause.

The establishment of a minimum scale by formal agreement is a sure sign of strength in the lodge of the Machinists' Association with which the agreement is made. If the employer failed to accept the terms proposed the ultimate sanction would be a strike, but that sanction would lack force unless a considerable number of the local machinists were controlled by the local lodge. In securing such an agreement the strength of the International Association counts for less than that of the individual lodge, yet its help is important for two reasons: because the skill of the international officers can be brought to bear in the negotiation, and because it is well known that the financial support of the Association would make a strike more formidable should it occur.

The foregoing method of settling the minimum rate is well adapted to cases in which the union can deal with a large employer, such as a railway company or a great manufacturing corporation, or with employers engaged in business at some large industrial centre. But it is a method too cumbrous for use in all cases, nor can it for obvious reasons be adopted in places where the union is weak. The Machinists' Association attempts, however, in each place where it has a local lodge, to fix a minimum scale independently of any written agreement with the employers. Article 1, Section 4, of the constitution

<sup>1</sup> *Journal*, Vol. 8, p. 543; Vol. 9, pp. 5, 115, 209, 285; Vol. 14, p. 418.

for subordinate lodges in the International Association of Machinists provides that "each lodge shall establish a minimum scale of wages in its locality, and no member of that organization shall work under that scale in that locality; nor shall an applicant for membership be considered eligible unless he receives the minimum scale of wages in his locality paid to his class." Inasmuch as the scales thus fixed by the local unions can only be established with the tacit assent of the local employers, the process here described amounts to a fixing of the minimum rate by unwritten agreement. This process, like that of the written agreement, depends very largely for its success upon the strength of the local union; and since it is the only method capable of being employed in places where the machinists' lodge is weak, it is in some cases absolutely ineffective.

A minimum wage is of no value unless it secures to the average workingman a rate of wage higher than that which he would receive under free competition. When, therefore, we find any place in which the machinists' average wage is abnormally low, we may know that there the minimum wage is virtually non-existent. Now if we examine the statistical reports published in the *Machinists' Journal* until 1904, giving the average wages paid in the various places where the Machinists' Association has local lodges, we meet with many instances in which a lodge has manifestly been unable to "establish a minimum scale of wages in its locality." For example in Milford, Mass., the average daily wage of machinists is given as \$1.50 in April, 1902; as \$1.75 in August and September, 1902; and again as \$1.50 in August and December, 1903. At Rockford, Ill., the average wage was \$1.60 in July, 1902, and \$1.75 in June, 1903.<sup>1</sup> At Aurora, Ill., and in Wilmington, Del., in April, 1902, the average wage was \$1.35; at Palmyra, N. Y., in September, 1902, it was \$1.42; while at Batavia, N. Y., and St. Albans, Vt., it was \$1.75 in June and August, 1903.<sup>2</sup>

When we compare these rates of wages with those paid at

<sup>1</sup> *Journal*, Vol. 14, pp. 229, 460, 532, 622; Vol. 15, pp. 510, 751, 1080.

<sup>2</sup> *Ib.*, Vol. 14, pp. 229, 622; Vol. 15, pp. 510, 751.

corresponding periods to machinists in other industrial centres and with the rates of wages prevailing in places where there was no lodge of the Machinists' Association, it is plain that in the cases above mentioned the minimum rate has virtually been in abeyance. We can safely draw the further inference that in those places the collapse of the minimum rates has been due to the weakness of the local machinists' unions. Unfortunately we have no means of verifying this conclusion, because the Machinists' Association is reticent as to the numerical strength of its various lodges. Occasionally we are informed that a certain place is "a hard proposition" and that wages are being cut in consequence,<sup>1</sup> but, as a rule, we hear only of the growth of the various local unions, and we are not supplied with facts as to their decay.

Thus it appears that the method of fixing the minimum rate by written agreement is the safest which the machinists' unions can employ, and that, except in the railway service, it tends to become more general as the unions grow stronger. The fixing of the rate by unwritten agreement is much less satisfactory, since under that system the minimum may sink to so low a figure as to be of no practical value.

*Limitation of Working Hours by the Union.*—The union policy of limiting the working hours of machinists has an important bearing on the maintenance of their minimum rates (1) because of the increased rate of pay for over-time work which has been brought about by the limitation, and (2) because the limitation is sure to be accompanied by an increase in the minimum rate.

(1) The demand that a limit, say of nine hours, should be set to the working day, has been followed by a demand on the part of the machinists that if this limit is exceeded the excess should be paid for at a higher rate. Under this system, when the day is shortened from ten to nine hours, a machinist who is required to work ten hours, instead of receiving as before "straight pay" for work done during the tenth hour, receives a special rate of "time and a quarter" or "time and a half." If for instance the minimum rate be 24 cents per hour and

<sup>1</sup> *Journal*, Vol. 16, p. 237.

“time and a half” be paid for extra work, he will receive for the tenth hour not 24 cents but 36 cents. It is only in recent years that the machinists have been able to establish this practice. They had long been dissatisfied with the system under which a shop, when short of hands, could require its machinists to work longer hours than usual and yet pay the usual rate for these extra hours. But an extra rate for extra work did not become generally recognized till 1898. In that year the Elmira Bicycle Company granted to its machinists time and a quarter for all over-time work.<sup>1</sup> About the same time the machinists of the Washington Navy Yard, where the 8-hour day had for some years been in force, petitioned the Government that work in excess of eight hours should be paid for at over-time rates. They not only gained this point, but soon afterwards obtained arrears of pay at the rate of time and a half on all over-time work performed during the Spanish war.<sup>2</sup> In 1899 the president of the Association reported to the convention that 39 machinists’ lodges had succeeded in obtaining time and a half for extra work.<sup>3</sup> Since then the principle of higher pay for over-time has made steady progress in the machinists’ trade, and is now recognized in almost every agreement made by the Association. Even in cases where ten hours are still regularly worked, as in railway shops, time and half, or even double time, is now usually paid for work performed outside the 10-hour limit.

(2) The limitation of hours has resulted, as above shown, in raising the rate of wages paid for each hour in excess of the regular working day. It has also resulted in raising the minimum rate paid for each hour in the regular day. If a man has been working, say for 27 cents per hour on the ten-hour plan, and has thus been earning \$2.70 per day, he will certainly not be satisfied with an 8-hour day, unless the rate of wages is increased by about one-ninth, so that he may get 30 cents per hour on the 8-hour plan, and still earn \$2.70 per day. A successful demand for shorter hours is therefore bound to involve a raising of the minimum rate paid per hour.

<sup>1</sup> *Journal*, Vol. 10, p. 195.

<sup>2</sup> *Ib.*, Vol. 10, p. 673; Vol. 11, pp. 26, 184.

<sup>3</sup> *Ib.*, Vol. 11, p. 334.

The advantage of this method of increasing the minimum is that its adoption can be urged on hygienic and educational grounds,<sup>1</sup> whereas a bare demand for higher pay is less easy to support with arguments based on the public welfare. It may sometimes therefore prove easier for the union to increase the minimum indirectly by demanding shorter hours than to do so directly by demanding higher wages.

Though the adoption of an 8-hour day instead of the regular 10-hour day had been often discussed, it did not until recently arouse much interest among the rank and file of union machinists, as was shown by their light vote on the question in 1897.<sup>2</sup> The first notable instance of their obtaining a shorter day was at Pittsburgh in 1898, when a 9-hour day was established in sixty-six shops. This was followed in 1899 by the granting of nine hours by one shop in Baltimore and by fifteen out of twenty-two shops in New York.<sup>3</sup> In the same year three hundred machinists in Cramp's shipyard struck for the 9-hour day; and in March, 1900, several thousand machinists in Chicago struck for the same object.<sup>4</sup> The greatest advance in that direction was made by the New York agreement of May 18th, 1900, between the Machinists' Association and the National Metal Trades Association, by which it was provided that after six months the 9 1-2 hour day, and after one year the 9-hour day, should be introduced into all shops owned by members of the latter association. Unfortunately nothing was said as to what the rates of wages should be when the hours had been thus shortened.<sup>5</sup>

The 9 1-2 hour day was introduced on November 19, 1900, with little or no reduction in daily wages, but the same thing did not follow in the case of the 9-hour day. The machinists announced that upon the introduction of the 9-hour day they intended "to bring about an increase of wages sufficient to make up for the reduction in hours."<sup>6</sup> Agreements were ac-

<sup>1</sup> *Journal*, Vol. 11, pp. 140, 602.

<sup>2</sup> *Ib.*, Vol. 9, pp. 247, 562; Vol. 10, p. 225.

<sup>3</sup> *Ib.*, Vol. 10, p. 230; Vol. 11, pp. 399, 478, 570.

<sup>4</sup> *Ib.*, Vol. 11, p. 630; Vol. 12, pp. 195, 250.

<sup>5</sup> "Report of the Industrial Commission," Vol. 17, p. 356.

<sup>6</sup> *Ib.*, Vol. 13, p. 691.

cordingly presented by the machinists' lodges to all members of the National Metal Trades Association and to other owners of contract shops, providing that on and after May 20, 1901, they should reduce their hours to nine per day without decrease in wages. The Metal Trades Association refused to admit that the question of wages was covered by the New York agreement, and insisted that it was a local matter with which their Association could not deal. Thus the general strike of Association machinists throughout the country which began on May 20, 1901, and which was ostensibly for a 9-hour day, was brought about by a demand for ten hours' pay with nine hours' work, and was in point of fact a strike for higher rates of wages.

A good many shops granted the increase at once, and by September, 1901, a long list of firms were reported as having yielded. The strike was on the whole a success. At San Francisco it lasted nearly ten months, while at the Allis-Chalmers works in Chicago it lasted more than a year; but in both cases, though the cost to the Union was enormous, the result was a victory for it.<sup>1</sup> In a few railway shops the 9-hour day was granted, but in most of these the 10-hour day still prevails, and the Machinists' convention decided in 1903 that no effort to remedy this should be made until the railway employees were better organized.<sup>2</sup>

The success of this great strike, involving as it did a large increase in the rate of wages, demonstrated the effect on the minimum rate which the limiting of hours could produce. A similar illustration was furnished in England thirty-five years ago by the successful strike of the engineers for a 9-hour day. The increase here, as in England, seems to be permanent; for even when relapses have occurred, as they have in several instances, from the 9-hour back to the 10-hour day, the machinists usually retain the benefit of the increased rates per hour gained in 1901.

The shortening of the hours of labor has been desired by union machinists, because they believe it to have a tendency to

<sup>1</sup> *Journal*, Vol. 13, pp. 378, 695; Vol. 14, pp. 225, 285, 677; Vol. 15, pp. 477, 830.

<sup>2</sup> *Ib.*, Vol. 13, p. 381; Vol. 14, p. 407; Vol. 15, p. 486.

increase the demand for machinists' labor, and by decreasing the number of unemployed machinists to diminish the risk of the minimum rate being threatened by the competition of these men.<sup>1</sup> This argument has been much insisted on by the Union leaders, and is popular with the rank and file of the men. The prospect of increasing the field of employment for machinists might seem too remote an object to be worth striving or striking for; but the workingman cares for steady employment even more than for higher wages, and as he dreads the introduction of new machinery which throws men out of work, so he welcomes any device which promises to reverse that process. Shorter hours are desired by union men for many reasons unconnected with the minimum rate, so that the owner of a machine shop has been known to grant the shorter day in order to secure the best men.<sup>2</sup> Judging from the experience of the English Engineers, whose maximum week is 54 hours, and who have in many cases the 48-hour week, we may expect to see the 9-hour, and even the 8-hour day, gradually win its way in this country, but as this involves a raising of the rates paid per hour, it can only be attained where the union is strong and trade is brisk.

*Control by the Union of Admission to the Trade.*—There are two reasons connected with the maintenance of the minimum rate which prompt the Machinists to aim at controlling the admission of workingmen into their trade. One relates to the quantity, the other to the quality of the new men. The quantity must be kept down, because if the number of men seeking employment is greater than the number of jobs offered at the minimum rates, the rates will suffer from the under-bidding of the unemployed. And the quality must be kept up, because if the efficiency of the new men is below that of the machinists for whom the minimum rates were fixed, the incompetence of these men will lead to a reduction of their wages and so to a general lowering of the rates.

The policy of protecting the minimum rate thus renders it necessary (1) to render the trade accessible only through apprenticeship, (2) to control the number of machinist appren-

<sup>1</sup> *Journal*, Vol. 7, p. 330.

<sup>2</sup> *American Machinist*, Vol. 24, p. 557.

tices, (3) to secure for those apprentices a thorough training in their craft.

(1) Owing to the insistence upon apprenticeship as an essential qualification for entering the trade, the employment of helpers and handy-men to do machinists' work has been a constant source of grievances and of strikes,<sup>1</sup> since the Machinists' Association has done its best to suppress any attempt to raise such men to the rank of machinists. For instance, at the Watervliet Arsenal in 1902 it prevented helpers from being rated as fourth-class machinists, and at Brainerd, Minn., in 1902 it stopped a handy-man from being put to work on a turret lathe.<sup>2</sup> In order to avoid such friction, it has become customary in written agreements to define the scope of machinists' work. Sometimes the rough work to which laborers and helpers are to be confined is explicitly described. Sometimes the machinists "waive any claim for jurisdiction" over particular machines. Or it may be provided that the working of certain tools, such as automatic hacksaws or pipe-cutting machines, shall not be regarded as machinists' work; or the agreement may contain a clause stipulating that no handy-men or helpers shall be allowed to do such work.<sup>3</sup> In all these cases the object of the Union is partly to ward off the competition of would-be machinists, and partly to keep the man of inferior training from being classed with the well-trained man.

(2) The grievance of an excessive number of apprentices (*e. g.*, 15 apprentices to 35 machinists) was a more common one in former years than it is to-day.<sup>4</sup> The limitation of one apprentice at large for each shop and one additional apprentice to every five journeymen employed, which is the highest number allowed by the constitution of the Association, is now recognized in almost every important agreement. It was also sanctioned by the National Metal Trades Association in the unfortunate New York agreement of 1900. The so-called

<sup>1</sup> *Journal*, Vol. 5, p. 72; Vol. 14, p. 529; Vol. 15, p. 209.

<sup>2</sup> *Ib.*, Vol. 14, pp. 204, 351.

<sup>3</sup> *Ib.*, Vol. 13, pp. 67, 865; Vol. 14, pp. 485, 646; Vol. 15, p. 784; Vol. 16, pp. 326, 445.

<sup>4</sup> *Ib.*, Vol. 4, p. 373; Vol. 5, p. 72.

“special apprentice,” who is simply an engineer preparing himself for his career by a course in the machine shop, is not regarded as coming within the ordinary apprenticeship restrictions.<sup>1</sup>

(3) The proper training of the future machinist is secured by the Union requirement of a four-years' apprenticeship, which is now recognized in almost all agreements. This time is the same as that now required by the Amalgamated Society of Engineers; yet to some ambitious American boys it seems unnecessarily long, so that a good many of these are said to enter the trade before finishing their time. The enforcement of contracts of apprenticeship is well known to be more strict in England than in this country, in consequence of which the imported Amalgamated men are usually in good demand here at the best wages; and this fact is doubtless a constant object lesson to the American machinist as to the value of a thorough training.

Besides setting this four-year limit, the Association has also adopted the plan of stipulating in its agreements that the apprentice shall be given every opportunity to learn his trade, or that he shall not be kept more than six months on the same machine.<sup>2</sup> This latter provision is of course intended to produce the all-round machinist, instead of the pure specialist (*e. g.*, a planer hand not capable of operating any other machine) whom modern industrial development has tended to create.

It is usual to specify the apprentice's rates of wages during his four years of work, and on the completion of his training the Association insists that, if retained in the shop, he shall receive the minimum rate. If not qualified to earn this wage, if in short he is not worth it, he must be dismissed.<sup>3</sup> The purpose of this provision is to exclude an inferior man from that particular class of machinists for which the minimum rate was established. Since the minimum rate is a price fixed for the sale of labor of a certain average quality, it is felt that

<sup>1</sup> *Journal*, Vol. 15, p. 787.

<sup>2</sup> *Ib.*, Vol. 11, p. 381; Vol. 15, pp. 830, 954, 962.

<sup>3</sup> *Ib.*, Vol. 16, pp. 203, 445.

if the quality should deteriorate the price also would be bound to fall.

## II

We now come to consider the causes affecting the minimum rate in which the union has no initiative.

*Dullness or Activity in the Trade.*—Although in some cases the minimum price of machinists' labor may appear to be arbitrarily fixed by the machinists' union, yet in point of fact, as we have seen, it is fixed by agreement, express or tacit, between the several lodges and their employers. When trade is dull the rates of wages in common with other prices tend to fall, and when trade again becomes active they tend to rise. The policy of the Machinists' Association has been to deal with the minimum rate in such a way as to retard the falling tendency and to accelerate the rising tendency as much as possible.

The greatest modern instance of bad times in this trade was the period of depression which began in 1893, during which an average reduction of 20 per cent. took place in machinists' wages and great numbers of men were thrown out of work.<sup>1</sup> The advice at that time of the union leaders to their fellow-members was: "Do not strike now," and the strikes which did occur were generally unsuccessful.<sup>2</sup> In October, 1893, the Louisville & Nashville Railroad reduced its wages 10 per cent., and after a short strike the reduction was accepted. On the Big Four and Northern Pacific Railroad reductions of from 5 to 10 per cent. were submitted to without a strike. Many men were laid off and the working hours of those kept at work were much reduced, as for instance on the Union Pacific Railway and elsewhere.<sup>3</sup> These reductions of hours made the actual reductions of wages larger than they appeared to be on their face. Thus on the Louisville & Nashville Railroad wages fell from 25 cents for 10 hours or \$2.50 per day, to

<sup>1</sup> *Journal*, Vol. 6, pp. 153, 164; Vol. 7, p. 502.

<sup>2</sup> *Ib.*, Vol. 5, p. 338; Vol. 6, p. 34.

<sup>3</sup> *Ib.*, Vol. 5, pp. 380, 406, 427; Vol. 6, pp. 115, 161; Vol. 7, p. 480.

22 1-2 cents for 9 hours or \$2.01 1-2 per day; so that while the nominal reduction was 10 per cent., the real reduction amounted to 20 per cent. At the Elgin Watch Works the men worked for a time only three days a week, which meant a reduction in their wages of 50 per cent.<sup>1</sup> From the union standpoint it is preferable that the weekly earnings of all the men should be reduced rather than that some men should be thrown out of work, or that the rate of wages should be cut down. Consequently, it has become fairly usual in recent machinists' agreements to stipulate that, should it be necessary to reduce expenses, the hours shall be reduced before the working force is diminished, without any change in the minimum or standard pay.<sup>2</sup> By 1897 the wages of machinists had begun to improve, as we find it reported in that year that thirty lodges had secured an increase of ten per cent., and by 1899<sup>3</sup> this tendency had further progressed, since 125 lodges reported a similar increase. Trade being still more active in 1901, additional increases were successfully demanded.<sup>4</sup> That year was therefore well chosen for the inauguration of the 9-hour day, with its rise in the rates of wages which has already been described. In 1902 and 1903 the machinists made still larger demands, and many of these were granted with but little opposition.<sup>4</sup>

From this summary of the Machinists' policy with respect to wages during the decade 1893-1903, we see that it is their aim to raise the minimum rates as high as possible in prosperous times, and to suffer them in dull times to sink as little as possible, even though the men may have to work shorter hours in consequence of the rates being maintained. If times are so bad that a machinist can only earn, say \$9 per week, the union would rather see him earn it by working 30 hours a week at 30 cents per hour than by working 60 hours per week at 15 cents per hour. In the latter case, when prosperity returned, the restoration of rates

<sup>1</sup> *Journal*, Vol. 5, p. 497; Vol. 7, p. 462.

<sup>2</sup> *Ib.*, Vol. 16, pp. 396, 421, 445.

<sup>3</sup> *Ib.*, Vol. 9, p. 219; Vol. 11, p. 331; Vol. 13, pp. 166, 381, 444.

<sup>4</sup> *Ib.*, Vol. 14, pp. 647, 701; Vol. 15, pp. 225, 378, 418, 822.

to a normal level would involve delay and possibly struggles with the employer, which in the former case would be avoided. When ordinary wares have to be sold in a dull market, the price must be reduced to a point at which they can all be disposed of; but the union will not "slaughter" the selling price of its commodity. It prefers in bad times to sell fewer hours of labor and to keep their price high.

*The Invention of New Processes.*—There are probably few cases in which methods of manufacture have undergone as many changes as those which in the last thirty-five years have been introduced into the machine shop.<sup>1</sup> The revolution thus produced is comparable to that which would have taken place in the trades of type-setting or stone-cutting, had they been invaded by a dozen different kinds of linotype or planer. And the end of this development has by no means yet been reached, for the recent introduction of high-speed steels will probably cause a general re-designing of existing machinery.

This movement has had two important consequences: (1) Some machinists have been thrown out of work, either temporarily or permanently, in consequence of the introduction of improved machinery; and (2) specialists have been evolved, possessing great expertness in the use of a particular machine, without knowledge of the craft as a whole. Both these changes have a bearing on the minimum rates, and the Machinists have had to shape their policy accordingly.

(1) Lack of employment resulting from mechanical improvements may occur in several ways. The new machine may be so much faster than the old that fewer men are needed to turn out a given product; or so complicated that certain men in the trade cannot learn its use; or so simple that a common laborer can work it, and highly skilled labor is therefore displaced; or so nearly automatic, that a single workman can tend at one time more than one machine, and thus do the work which formerly required two or more workmen. It is particularly in these last two forms that loss of work caused by new inventions has alarmed the Machinists. Their general policy,

<sup>1</sup> These changes are described in a series of articles by H. Roland in Vol. 18 of the *Engineering Magazine*.

as we have seen, is to prevent skilled men from being displaced by helpers or handy-men in any kind of work, but in the case of certain machines, the operator of which does not require the skill of a machinist, they cannot always succeed in resisting the introduction of the unskilled worker.<sup>1</sup> There are, however, some machine-tools which do require the attendance of a skilled machinist, but on which when once the piece of metal is properly set, the work proceeds automatically until the time comes for setting another piece. It is thus possible for one skilled workman to tend more than one such machine, and by so doing he can of course greatly increase his output. It is to this form of labor-saving arrangement, commonly known as the "two-machine system," that the Machinists have most strongly objected, on the ground that by throwing men out of work it tends to lower the scale of wages. At the Watervliet Arsenal in 1892 the whole machine-shop force struck because of the requirement that one man should run two lathes, and similar requests have usually called forth a like opposition.<sup>2</sup> It has been decided that a machine with two or more heads on one bed shall not be considered as two machines,<sup>3</sup> but this seems to be the only concession which the Machinists' Union is willing to make. It recognizes and deplores the fact that in piece-work shops the system is popular with the men, because it increases their earnings; but in 1901 the Association declined to allow its members to operate two or more automatic machines, subject to "full investigation and sanction of our judicial officers." At the last convention in 1903 this prohibition was made more stringent, and the members were forbidden to operate more than one machine after July 1, 1904.<sup>4</sup> In a recent agreement the running of more than one machine at the same time, either by machinist or apprentice, was formally prohibited in the shops of the Southern Pacific Railway. The usefulness to the employer of the two-machine system is sufficiently obvious, and is further shown by the fact

<sup>1</sup> *Journal*, Vol. 13, p. 67; Vol. 16, p. 445.

<sup>2</sup> *Ib.*, Vol. 4, p. 357; Vol. 9, p. 218; Vol. 6, p. 155.

<sup>3</sup> *Ib.*, Vol. 15, p. 404.

<sup>4</sup> *Ib.*, Vol. 13, p. 654; Vol. 15, p. 619.

that in 1897 it was reported that the union had defeated its introduction in 167 shops.<sup>1</sup>

The attitude of the Machinists' Association on this subject has been criticised as an attempt to thwart the progress toward intensified production and cheapening of products which is the pride of modern industry.<sup>2</sup> But from the stand-point of the workingman, the hostility to the two-machine system is perfectly rational, because its avowed object and effect is to reduce the number of men employed, and the workingman believes that this is bound to result in a general lowering of wages. The opposition to the system is an honest attempt on the part of the machinists to protect their minimum rates. It is true that in the long run, as a result of this system, more men than ever are likely to be employed at good wages, because of the greater demand which cheaper methods of production are certain to stimulate; but the workingman is seldom able to embrace such a far-off economic outlook. When an innovation has a tendency to reduce wages or to make jobs more scarce at the moment, he will suppress it if he can. It is worth noting that an English machinist has shown in this respect a breadth of view to which few American trade-union leaders have as yet attained. "The fear of the machine," he says, "is based on the grotesque hallucination that there is only a certain amount of work to do in the world," and he points out that this opinion finds its parallel in the erroneous wage-fund theory of the older economists.<sup>3</sup>

Another product of modern machinery is the specialist, who, as we have seen, did not become qualified to be a regular member of the Machinists' Association till 1903. The proposal to admit this class of men met with much disfavor, and was only carried through because of the increase in their numbers and the obvious expediency of bringing them under union control, in order to regulate their rates of pay and to prevent competition between them and the general machinists. The effort to admit "any person working at the trade" was un-

<sup>1</sup> *Journal*, Vol. 16, p. 445; Vol. 9, p. 218.

<sup>2</sup> "Transactions Am. Soc. Mech. Engineers," Vol. 24, p. 1449.

<sup>3</sup> F. H. Rose in *Engineering Magazine*, Vol. 26, p. 836.

successful in 1899,<sup>1</sup> but in 1901 a special committee reported that "whereas the introduction of automatic and special improved machinery into our machine shops is becoming more general, we recommend that we admit into our Association all men operating such improved machinery and receiving the minimum wages paid to machinists in the same shop," and this report was duly adopted. Finally, in 1903, the constitution of the International Association was so altered as to admit the specialist to membership on an equal footing with the regular machinist; and his ability to earn the minimum wage paid to his class was fixed as the test of his eligibility.<sup>2</sup>

*Introduction of New Methods of Remuneration.*—The mode of paying wages known as "day work," which consists of an uniform wage measured by units of working time without reference to the amount of work performed, is the oldest in the machinists' trade and is still in very general use. It has, however, certain obvious disadvantages both for the workingman and for his employer. Under it the workman has but little incentive to learn to work faster or better, because the chances of promotion are necessarily remote, and because the *esprit de corps* of his fellows is sure to condemn him for any unwonted display of energy. The logical tendency of the system is to make the men who are naturally faster and more energetic slow down to the pace of the mediocre men, and thus to discourage ambition and enterprise.<sup>3</sup> Again while the employer buys coal and other supplies with accurate information as to their efficiency, under this plan he buys his labor without any means of knowing exactly whether or not he has received full value for his money. He may suspect that the pace of the shop is too easy, but under the day-work system it is practically impossible for him to quicken it. Yet the importance of adopting the cheapest methods is greater for him than for almost any other kind of employer, because his machinery is so costly and so soon becomes worn out or obsolete, and because rapidity of output cannot be secured in

<sup>1</sup> *Journal*, Vol. 11, p. 231.

<sup>2</sup> *Ib.*, Vol. 13, p. 654; Vol. 15, pp. 586-590.

<sup>3</sup> *Engineering Magazine*, Vol. 18, p. 201; "Transactions Am. Soc. Mech. Engineers," Vol. 12, p. 755; Vol. 24, p. 1349.

a machine shop, as in a cotton mill, by merely speeding up the machinery, except in cases where the machines are entirely automatic. Add to this the fact that owners of contract machine shops are subject to keen competition; and it must be owned that they have good reasons for resorting to some plan of remuneration under which the amounts paid out for labor will vary in proportion to the amount of service which that labor renders.

Work done "by the day" is proverbially slower than that done "by the job;" so that the employer's natural remedy for slowness is to make the amount of wages paid depend upon the amount of work done, and not upon the time spent in doing it. The best known methods that have been devised for overcoming the defects of day work are all based upon that principle, and are known as follows: (1) ordinary piece work; (2) the differential-rate system; (3) the bonus system; (4) the premium plan; (5) the contract system.

In order to make clear the main features of these methods it will be shown how each of them would work as applied, say, to the turning on a lathe of certain standard steel forgings. We shall assume that the current rate of wages for machinists is 20 cents an hour, or \$2.00 a day; that the machine cost per man is \$3.37 a day, and that the average number of pieces turned by one man under the day-work system has been four per day.

The results to the man and to the manufacturer would then under day work be as follows:

Man's wages	:	:	:	:	:	:	:	\$2.00
Machine cost	:	:	:	:	:	:	:	3.37
Total cost for four pieces	:	:	:	:	:	:	:	\$5.37
Cost per piece	:	:	:	:	:	:	:	\$1.34

(1) **Piece Work.**—Since the normal increase in production due to this system is about 25 per cent.,<sup>1</sup> we may assume that 50 cents per piece would be paid for turning these forgings, and that the workman would turn five pieces a day. The result would then be as follows:

<sup>1</sup> *Engineering Magazine*, Vol. 18, p. 205.

Man's wages (5 pieces at 50c. apiece) . . . . .	\$2.50
Machine cost . . . . .	3.37
Total cost for five pieces . . . . .	<u>\$5.87</u>
Cost per piece . . . . .	\$1.17

If the desire to increase his earnings were to induce the machinist to produce an output of ten pieces a day, the result would be as follows:

Man's wages (10 pieces at 50c. apiece) . . . . .	\$5.00
Machine cost . . . . .	3.37
Total cost for ten pieces . . . . .	<u>\$8.37</u>
Cost per piece . . . . .	\$ .84

In point of fact, however, this last result, while theoretically possible, will never be attained. The great defect of this system is that under it men will not put forth their best efforts, because to do so would produce an inordinate rise in their wages, and they feel convinced that if this occurred, the manufacturer would soon cut the piece price. In the present case, it is practically certain that no manufacturer would, or indeed could, continue paying \$5 a day. If the men showed that they could do ten pieces a day, he would probably cut the price to 25c. per piece; in which case they would have to do twice as much work as before, *i. e.*, to turn ten pieces instead of five in order to earn as before \$2.50 per day. Thus under this system any unusual skill or energy shown by the workmen almost inevitably meets with punishment instead of reward.<sup>1</sup> This fundamental defect in piece work naturally engenders ill feeling between the men and their employer, and by forcing them for their own protection to keep down their output and their earnings, injures them as well as him. To him the only advantages of the system are that he gets an increase in output of about 25 per cent. over what he would obtain under day work, and that he can tell exactly what his factory cost is per piece. To the workman the piece-work system usually means that he can make somewhat better wages than he could under day

<sup>1</sup> For criticisms of this defect in the piece-work system, see "Transactions Am. Soc. Mech. Engineers," Vol. 12, p. 756; Vol. 24, pp. 271, 1351; *Journal*, Vol. 8, p. 70; Vol. 10, p. 104.

work, provided the piece prices are fairly set and are not cut.<sup>1</sup>

If it be suggested that the cutting of prices might be obviated by having them fixed by agreement between the employer and the union, as has sometimes been done, the objection is that the whole machine shop force would still find it to their interest to work slowly in order to keep down the output of the shop and prevent the wages from rising to an exorbitant figure. Moreover, the fixing of piece prices by a shop committee is extremely difficult in this trade, because of the multiplicity of machines for which the prices have to be adjusted.

It is interesting to note that while the International Association of Machinists is utterly opposed to piece work, the Amalgamated Society of Engineers allows piece work under certain conditions. Its rules on this subject are (1) that the men must be paid through the pay office; (2) that they shall have the proper rated wages guaranteed, apart altogether from piece prices, "so as to protect our members against the action of employers who seek to interfere with the minimum wages of the district;" (3) that the men shall share equally any surplus made over and above the weekly wages paid to members and other persons working on such job.<sup>2</sup> The meaning of this last provision is, that if there are ten fitters working in a machine shop, whose daily rate of wages is \$3.50, any surplus made at piece work by any one of them over his daily wage of \$3.50 is shared by him with the other nine fitters, but not with all the other machinists in the shop.

(2) The Differential-Rate System.—This method, invented by Mr. Frederick W. Taylor, and introduced by him at the Midvale Steel Co. in 1884, is one of modified piece work, and is based upon a careful preliminary time-study by which the employer ascertains exactly what the maximum output of a good workman will be.<sup>3</sup> Let us suppose that time-

<sup>1</sup> See report of umpire in *Journal*, Vol. 15, p. 747; *American Machinist*, Vol. 24, p. 393.

<sup>2</sup> "A. S. E. Rules" (1904), xxxix. secs. 2, 3.

<sup>3</sup> See Mr. Taylor's papers in "Transactions Am. Soc. Mech. Engineers," Vol. 16, p. 878; Vol. 24, p. 1380. The figures given are from an actual case there reported by him.

study has shown that in the present case ten pieces can be turned out in one day by a good machinist. The differential-rate system consists in paying him, say 35c. per piece, provided he turns out ten pieces a day, but only 25c. per piece if he turns out less than that amount. A large daily task is fixed as the full output, and a large difference in piece price is made between the full output and anything short of that amount.

For the best men the result will be as follows:

Man's wages (10 pieces at 35c.)	.	.	.	.	.	\$3.50
Machine cost	.	.	.	.	.	3.37
Total cost for ten pieces	.	.	.	.	.	\$6.87
Cost per piece	.	.	.	.	.	.69

If, however, the workman should only succeed in doing six pieces a day, the result will be:

Man's wages (6 pieces at 25c.)	.	.	.	.	.	\$1.50
Machine cost	.	.	.	.	.	3.37
Total cost for six pieces	.	.	.	.	.	\$4.87
Cost per piece	.	.	.	.	.	.81

The advantage here to the employer is that in return for the payment of high wages he is absolutely certain to get a low labor cost per piece; while to the workingman the inducement to do his best is far stronger under this system than under piece work. Under the latter plan he receives the same rate per piece whether he turns out six pieces or ten, and he knows that should he produce ten pieces, and establish an unexpected record for speed, the piece price would shortly be cut. But under this system he receives for ten pieces almost 50 per cent. more per piece than he would receive for six; and he can feel perfectly safe in turning out ten pieces, since he knows that the price has been set with the expectation of that output being regularly produced.

Two essential conditions for the success of this system are that the prices should not be cut nor the tasks increased unless radical changes are made in the manufacturing process.<sup>1</sup> Furthermore the system must be adhered to when once

<sup>1</sup> "Transactions Am. Soc. Mech. Engineers," Vol. 16, p. 895.

it has been introduced, so that the men may not feel that their high-speed records would be used against them if ordinary piece work should be re-established. It is remarkable how little opposition Mr. Taylor has met with in introducing this system, and how well the men seem to have liked it.

(3) The Bonus System.—This was introduced by Mr. H. L. Gantt, about five years ago, into the machine shop of the Bethlehem Steel Company. It resembles the preceding system in being based upon a daily task, fixed after careful analysis of the time needed for the work, but it differs from that system in having no piece rates, and in guaranteeing the current daily system of wages.<sup>1</sup>

Under this plan, if ten pieces are finished within the day, the workman receives a bonus say of 75 per cent.=\$1.50 in addition to his daily wage, but if he should turn out less than ten pieces, he receives only the day rate of \$2.00 a day.

For the best men the result will be:

Man's wages (current rate + bonus) . . . . .	\$3.50
Machine cost . . . . .	3.37
Total for ten pieces . . . . .	<u>\$6.87</u>
Cost per piece . . . . .	.69

For a slower man, who could only turn out six pieces, the result would be:

Man's wages (current day rate only) . . . . .	\$2.00
Machine cost . . . . .	3.37
Total for six pieces . . . . .	<u>\$5.37</u>
Cost per piece . . . . .	.89

This system is less drastic than the Taylor system, since the penalty for failure to perform the full allotted task is less severe. It is simply a day-work system, with a reward offered for the performance of a given task. From the standpoint of the employer it seems less satisfactory than the Taylor system because the incentive to the workman is less strong, but this very fact enables it to be employed in cases where the differential-rate systems could not well be introduced. From the workman's point of view, this system has the merit of

<sup>1</sup> See Mr. Gantt's paper in "Transactions Am. Soc. Mech. Engineers," Vol. 23, p. 341; *Engineering Magazine*, Vol. 25, p. 388.

securing to him the current rate of wages, even though he fails to perform the full allotted task.

In both the Gantt and Taylor systems the speed at which work shall be done is fixed by the employer, and the men are urged to attain it by the fact that the bonus is paid only if the whole task is performed.

(4) The Premium Plan.—This, like the preceding systems, is based on the current day-work rate of wages plus a bonus, but the bonus, instead of being fixed, varies according to the workman's rate of speed. The system was first suggested by Mr. H. R. Towne, in 1889, and was carried to greater perfection and lucidly expounded by Mr. F. A. Halsey in 1891.<sup>1</sup> The essence of the system is that the employer fixes a time limit for each operation based on the average time observed to have been spent in doing the same work, and gives the workman a share, say one-third or one-half of the current hourly rate of wages, for every hour by which he reduces below that limit the time required for that operation.

Since we have assumed that under day work four pieces have been found to be the average output for a day of ten hours, the time limit for four pieces would be fixed at ten hours. In order that the workman may be willing to work at higher speed, he is told that he will receive a premium of half his hourly rate=10c. per hour, for every hour saved by him in the production of four pieces, but that he will in any case receive his current wages of \$2 a day.

Should the offer of this premium have the effect of causing him to produce four pieces in four hours and ten pieces in the full 10-hour day, he will have made during the day a total saving of fifteen hours. The result will then be:

Man's wages (\$2.00 + 10c. per hour for 15 hours)	.	.	.	.	.	.	.	.	\$3.50
Machine cost	.	.	.	.	.	.	.	.	3.37
Total cost of ten pieces	.	.	.	.	.	.	.	.	\$6.87
Cost per piece	.	.	.	.	.	.	.	.	.69

This plan is less discouraging to the second-rate workman

<sup>1</sup> "Transactions Am. Soc. Mech. Engineers," Vol. 12, p. 755; *Sibley Journal*, March, 1902. Many reports on the system will be found in recent volumes of the *American Machinist*.

than either of the two foregoing plans, because under it he can earn increased wages, even though he fails to produce the largest possible output. For instance, if he could only do six pieces per day he would earn a premium of 50c. for the saving of five hours, and his total daily wage would be \$2.50; whereas under the Gantt system, it would only be \$2 and under the Taylor system only \$1.50. Again, if he did eight pieces a day, his daily wage would under this plan be \$3, whereas under either of the other systems it would be only \$2. The variability of the premium has given ground for the criticism that workmen under this plan "drift gradually towards an increased output," and that "under it the best results can never be reached." The attainment of higher speed and larger output is left entirely to the initiative of the men, whereas under the two preceding systems they are driven to turn out their maximum output, because they "automatically and daily receive either an extra reward in case of complete success or a distinct loss in case they fall off even a little."<sup>1</sup>

From the workman's standpoint this plan appears at first sight to be less inviting than piece work, since here he receives, in proportion to his extra output, less additional reward than under piece work. But the fact that the profits from an increased output are under this system divided between the employer and the employee benefits the workman by removing the employer's temptation to cut prices. It has been found that, when the workman thoroughly realizes this, he voluntarily puts forth under this system greatly increased efforts resulting in a very large addition to his output.<sup>2</sup>

It will be noticed that the time limit for new work is fixed by observing the average time taken for such work under the day system. Herein lies a danger for the employer. When a new piece of work is to be undertaken on the premium plan, the men may intentionally slacken their pace in order to receive more generous time limits, and thus to earn larger premiums for time saved. The only way in which this danger can be avoided seems to be to apply, in

<sup>1</sup> Cited from Mr. Taylor's paper in "Transactions Am. Soc. Mech. Engineers," Vol. 24.

<sup>2</sup> *Engineering Magazine*, Vol. 24, p. 577; Vol. 25, p. 226.

estimating the time limit for new jobs, the results of scientific time-study, as explained and advocated by Mr. Taylor.<sup>1</sup>

(5) Contract System.—Under this plan a lump sum is paid to a person known as the contractor, who may be a foreman regularly employed at the shop, for completing some particular piece of work, *e. g.*, constructing the cylinders of an engine.<sup>2</sup> The men working under the contractor may be employed directly by him as day workers or piece workers, or they may, as in the Baldwin works at Philadelphia, be employed and paid by the owner of the shop, who charges their wages against the amount payable to the contractor. This latter is the better plan, since it takes away from the contractor the power to cut the men's wages. The contractor is simply a piece worker on a large scale, his profit from the contract depending upon the speed at which he can induce the men under him to turn out their work. No concrete comparison can be made between the cost of work under this method and that under the preceding methods, since here the price is fixed for the job as a whole.

The advantages of this method to the employer are the same as those of piece work: there is a definite limitation of the labor cost; and since it is to the contractor's interest to finish the work as quickly as possible, delay from breakdowns and other causes is certain to be much reduced. But the objections to the system are, first, that the machine tools used by the contractor are apt to deteriorate rapidly, because his main object is to obtain a large output; and secondly, that the contractor may himself slacken the pace of the job or retain old-fashioned methods, in order to secure a good price for his next contract, because he knows that the next price is pretty sure to be lowered in direct proportion to the profits which he has made and the improvements which he has introduced in the carrying out his present contract. Thus the price-cutting evil is to some extent present in this system as it is in that of ordinary piece work. From the men's standpoint the chief

<sup>1</sup> "Transactions Am. Soc. Mech. Engineers," Vol. 16, pp. 887-8.

<sup>2</sup> Paper by John W. Converse in *Annals Am. Acad. of Pol. and Social Science* for January, 1903.

drawback to the system is that they may be unjustly treated by the contractor,<sup>1</sup> and that the rewards for special exertion on their part go not to them but to him.

Of these systems we should expect the first, the second, and the last to be opposed by the Machinists' Union, since they disregard the principle of the minimum rate. In order to earn his minimum wage under any one of these systems, a machinist might be compelled to work at a much faster pace than that which was contemplated when the minimum rate was fixed, and this would amount to selling his labor below that rate.

Piece work has long been an object of dislike to the union machinists and has often been denounced by them. In 1897 and 1899, however, it was frankly admitted that, owing to the desire of the men to work in that way, piece work was on the increase in the trade.<sup>2</sup> Some members of the Association have felt that piece work should be controlled, as for instance by dividing up the surplus earnings of the men according to the rule of the Amalgamated Engineers, and that it cannot be abolished because it is an essential feature in modern systems of shop management. But the Association has steadily endeavored to do away with piece work altogether, though it has sometimes been compelled to allow members to work under it, and even to recognize the system in its agreements.<sup>3</sup> In 1897 it was resolved that after May 1, 1897, all members of the Association must refuse to work by the piece, but in 1898 the rule was relaxed so as to leave the refusal of piece work to the discretion of the general executive board. In 1901 a further attempt to regulate the system was indefinitely postponed, but at the next convention in 1903 a sweeping rule was adopted that after July 1, 1904, no piece work, premium, task, merit, or contract system should be permitted to exist, even in shops where it was already in vogue.<sup>4</sup> Owing to

<sup>1</sup> D. F. Schloss, "Methods of Industrial Remuneration" (3d ed.), p. 152.

<sup>2</sup> *Journal*, Vol. 9, p. 218; Vol. 11, p. 335.

<sup>3</sup> *Ib.*, Vol. 9, pp. 140, 150; Vol. 13, p. 259; Vol. 15, p. 595.

<sup>4</sup> *Ib.*, Vol. 9, p. 276; Vol. 10, pp. 244, 304; Vol. 13, pp. 650-652; Vol. 15, p. 619.

the business depression of 1904, it was seen to be impossible to enforce this last rule and it was suspended by a referendum vote. Thus the actual regulation of piece work is still far from being accomplished. Even with the guarantee of a minimum wage, piece work is still opposed by the union machinists, and the price-cutting evil to which we have referred is usually mentioned as the main reason for condemning the system.

It is somewhat surprising to find that the bonus and premium systems, notwithstanding their recognition of the minimum-wage principle, are no more favored by the Machinists' Union than are the three systems which reject that principle.<sup>1</sup> In 1899 a strong effort was made by the Bickford Drill & Tool Company of Cincinnati, whose machinists had struck against the introduction of the premium plan, to explain to the leaders of the Association the merits of this plan, particularly its dissimilarity to piece work, and to persuade the Association to sanction it on conditions resembling those upon which the plan was afterwards accepted in 1902 by the Amalgamated Engineers.<sup>2</sup> The committee on law of the Machinists' convention thought it would be "suicidal" to combat the premium plan and advised that it be given a fair trial, but this report was rejected by the convention. The premium plan thus remained unaffected by union regulations until the convention of 1903 officially condemned it. Since the strike of '99, the Bickford Company, notwithstanding its failure to secure union approval, has continued to use the premium plan and has met with no further opposition from the men in its employ.<sup>3</sup>

The main reason why all these modern systems of remuneration have been rejected by the Machinists seems to be the same as that which causes the opposition to the two-machine system, namely the belief that restriction of output

<sup>1</sup> The men are less opposed to the premium plan than to piece work. *Journal*, Vol. 10, p. 578; Vol. 11, p. 404.

<sup>2</sup> *American Machinist*, October 2, 1902.

<sup>3</sup> See articles by H. M. Norris and Jas. O'Connell in *Engineering Magazine*, Vol. 18, pp. 572, 689; Vol. 19, p. 373; *Journal*, Vol. 11, p. 336.

tends to maintain wages and to promote steadiness of employment. This was brought out by Mr. O'Connell's report as president to the convention of 1899, in which he announced that the piece-work system had been defeated in 37 shops employing 4500 men. He calculated that, as the tendency of piece work was to reduce the shop force by one-fourth, its defeat in these 37 cases had meant continued employment for 1125 men who would otherwise have been discharged.<sup>1</sup>

Similarly one of the conditions for the acceptance of the premium plan proposed by the Union to Mr. Norris of the Bickford Drill & Tool Co., was that no man should be allowed to earn more than 10 per cent. above the average wages of the shop. Since the Union does not object to high wages as such, the purpose of this condition clearly was to restrict output.

The same argument was put forward by Mr. O'Connell of the Machinists, in giving to Mr. Norris his objections to the introduction of the premium plan. "The men," he said, "gain an advance of 25 per cent., but the output of the shop is increased 50 per cent. This is more than you can dispose of. You lay off a part of your force, retaining only enough men to maintain the former output. The result is that you drop back to your original pay roll of \$1000, which instead of being distributed among 500 men goes into the pockets of the relative few. The rest remain idle, and labor as a whole loses."

A wiser policy than the one which the Machinists' Association has hitherto pursued would be to adopt the premium plan, or some similar device, and to regulate its use, just as the Typographical Union has regulated the use of the linotype and as in England the Amalgamated Engineers have accepted the premium plan subject to certain reasonable conditions. The cost of labor may be quite as much reduced by methods which cause men to work in a more efficient manner as by new mechanical inventions; and as the progressive trade unions have now ceased to thwart the introduction of

<sup>1</sup> *Journal*, Vol. 9, p. 218.

improved machinery, they will probably discover that it is in the long run inexpedient to oppose rational reforms in the methods of paying wages. The tendency in the machinists' trade is towards repetitive work, and the class of work in which wages can be calculated only by time is constantly diminishing. So long therefore as the Machinists' Union continues to insist upon day work, we may expect that the premium plan, or some similar device equally adapted to repetitive work and intended to accelerate production, will be adopted in contract shops without regard to the wishes of the Union. The Machinists' Association would thus be excluded from all shops except those in which day work continues to be the only available method of payment.



# VI

## COLLECTIVE BARGAINING IN THE TYPOGRAPHICAL UNION

BY

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## VI

### COLLECTIVE BARGAINING IN THE TYPOGRAPHICAL UNION

TEMPORARY associations of American printers at an early date bargained with employers. In October, 1809, a committee of the Faustus Association of Boston, an organization of employing printers, reported: "The evil resulting from a combination among journeymen printers which gives to the unqualified, intemperate and unfaithful workman a consequence which he could not derive from his own merits has been felt probably by every member of this association." They recommended that measures should be taken for "counteracting the system of equalization."<sup>1</sup> The earliest continuous associations of journeymen printers in the United States were formed, however, primarily for beneficiary and fraternal purposes, and not with the design of substituting collective for individual bargaining. The New York Typographical Society, instituted July 4, 1809, the Franklin Typographical Society of Boston, organized in 1824, and the Columbia Typographical Society, founded in 1815, made the relief of needy printers their chief function. The New York Society probably enforced a minimum price list—known as the scale of prices—from 1809 to 1819; but in the latter year, the Society was incorporated by an act of the legislature, and being prohibited by the terms of its charter from establishing a "scale," it became solely a mutual benefit institution and as such still exists.<sup>2</sup> The Franklin Society has remained a purely beneficiary association.

The Columbia Society, so far as existing records show, was the chief association of printers in the United States dur-

<sup>1</sup> "Secretary's Report of the Proceedings of the Faustus Association" (MS.).

<sup>2</sup> "Constitution and by-laws of the Typographical Association of New York" (New York, 1833).

ing the years 1815-1830 which carried on collective bargaining. The preamble to the earliest constitution of the Columbia Society declared: "Whereas experience has proved that the association of individuals and the formation of societies for the express purpose of benevolence have seldom if ever failed to meet the sanction of both God and man: We therefore . . . do unite and form ourselves as one body. . ." A "list of prices" adopted November 4, 1815, was printed with the constitution;<sup>1</sup> but this scale was already in force in all the Washington offices, when the Society was formed. The members before signing the constitution declared that they would "at all times procure employment for a member of this Society in preference to any other person." Nothing else in the constitution indicated that the Society had other than beneficiary aims, and it is significant that the first scale of prices remained unchanged for more than twenty years. The method of collective bargaining used by the Society is illustrated in its attempt to secure the regulation of apprenticeship. A committee was appointed in November, 1835, and carried on a correspondence with the employing printers of the District of Columbia. Mr. Force, an employing printer, suggested a plan to the committee and nine members were appointed "to wait upon the employers, whose duty it shall be to receive any modifications of the plan proposed, suggested by the employers, and report the same with other proceedings to the Society."<sup>2</sup>

In the decade from 1830 to 1840, several associations of journeymen printers were formed with the design of maintaining "scales of prices." The Typographical Association of New York was thus founded on June 17, 1831. The preamble to its constitution declared: "The Journeymen Printers of New York with a view to elevate the character and advance the interests of the profession by maintaining a just and uniform scale of prices for their labor do hereby resolve to form themselves into a society. . ." Every part of the organic law of the Association was framed in accordance

<sup>1</sup> "Constitution of the Columbia Typographical Society" (Washington, 1821).

<sup>2</sup> "Apprentices to the Printing Business" (Washington, 1885).

with the purpose thus declared. Benefits were to be paid to "any member who may be thrown out of employment in consequence of not obtaining a price for his labor that shall be in accordance with the scale." No appropriations were to be made for the relief of sick members nor for the burial of deceased brethren until the amount of money in the treasury should exceed five hundred dollars. No member of the Association was permitted to work "on any pretence whatever,—either directly or indirectly for prices less than those specified."<sup>1</sup> The method pursued in forming the scale of the Association is described in the introduction to the constitution: "A general meeting of the trade was called about the first of June, 1831, at which a committee was appointed to draw up a just and equitable scale of prices. The committee made their report to an adjourned meeting which adopteded it; and on the 17th day of the same month the *Typographical Association* of New York was established and a constitution and by-laws framed for its government. A circular to the employing printers was forthwith issued covering the new scale of prices and respectfully asking them to accede to it. Most of them, to their honor, saw the justice of the demand and promptly awarded the wages asked for. There were some, however, both among the book offices and daily newspapers, who altogether refused and have managed from that time to the present by a constant change of workmen—to evade the demands for a fair compensation." The Baltimore Typographical Society formed in 1831 combined beneficiary features with a well-defined set of rules for maintaining a scale of prices. No member, under forfeit of membership, was permitted to work in an office "where . . . any person or persons are employed for less than the list of prices called for."<sup>2</sup>

Similar societies were formed in several other cities, and delegates representing such associations in Baltimore, New

<sup>1</sup> "Constitution and by-laws of the Typographical Association of New York" (New York, 1833).

<sup>2</sup> "Constitution and by-laws of the Baltimore Typographical Society" (Baltimore, 1832).

York, Harrisburg, Philadelphia, and Washington met in convention at Washington in November, 1836.<sup>1</sup> By this time, collective bargaining in the printing trade was fairly launched. The subordination of beneficiary aims was, however, only gradually accomplished. The first national convention of Journeymen Printers, in 1850, advised "all typographical trade associations to abolish the so-called benefit system."<sup>2</sup> In 1853, the book and job printers of New York complained by petition to the National Typographical Union that the New York Union maintained beneficiary features which largely enhanced the cost of membership. They claimed that on this account practically all the book and job printers were unorganized and asked for a separate charter. While refusing their request, the National Union required such of its subordinates as yet retained the "beneficiary system" to "alter their rules so as to admit to their fellowship those members of the craft, who wish to be admitted for trade protection only."<sup>3</sup>

Collective bargaining among the printers was entirely on a local basis during the period from 1830 to 1885. The unions frequently changed their scales without conferences, but the larger unions found it advisable to consult employers before making radical changes. No continuous organizations of employers appear to have existed, but temporary employers' associations were frequently formed when changes in the scale were under discussion. Only one distinct tendency in the development of the method of bargaining is discoverable before 1885. Shortly after the formation of the typographical associations designed to maintain a standard wage, the unions began to take precautions against ill-considered changes in the scale. The New York Typographical Association in 1833 required two months' notice before any change could be made in the scale of prices. The Columbia Typographical

<sup>1</sup> "Proceedings of the National Typographical Convention" (Washington, 1836).

<sup>2</sup> "Proceedings of the National Convention of Journeymen Printers of the United States" (Philadelphia, 1851), p. 12.

<sup>3</sup> "Proceedings of the National Typographical Union" (Pittsburg, 1853), pp. 8, 16.

Union, adopting a revised list of prices in 1837, enacted: "No alteration or amendment shall be made in the foregoing list of prices, unless two-thirds of the members present concur therein; nor then without one month's previous notice having been given."<sup>1</sup> Provisions of a like kind were incorporated in the constitutions of many unions.

The formation of the National Typographical Union in 1852 introduced no modification in the method of conducting collective bargaining. The entire independence on the part of the locals of any central control precluded any effective regulation of local bargaining by national authority. Under these circumstances, the national organization confined itself to the formulation of vague general rules. In 1853, the National Typographical Union declared by resolution that it regarded "as injudicious a frequent resort to strikes on the part of journeymen—believing that in most cases all such differences can be settled satisfactorily by other and more amicable means and that a strike should be resorted to only when all such means fail."<sup>2</sup> To add force to this exhortation two new sections were incorporated in the general laws in 1857. The resort to strikes was declared "inexpedient except where the rules or principles of the National or a subordinate union may have been violated," and subordinate unions were urged "to adopt some conciliatory method of making important changes in their scale of prices, etc."<sup>3</sup> In 1864, a committee appointed to prepare a uniform constitution for subordinate unions recommended the insertion of this provision: "The scale of prices can only be altered at a regular meeting after notice for such alteration shall have been given at the regular meeting preceding. *Provided*, that two-thirds of the members present shall vote for such change or amendment."<sup>4</sup>

<sup>1</sup> "Constitution of the Columbia Typographical Society" (Washington, 1837).

<sup>2</sup> "Proceedings of the National Typographical Union" (Pittsburg, 1853).

<sup>3</sup> "Proceedings of the Sixth Annual Session of the National Typographical Union" (New Orleans, 1857), pp. 27, 31.

<sup>4</sup> "Proceedings of the Tenth, Eleventh, and Twelfth Annual Sessions of the National Typographical Union" (Detroit, 1864), p. 71.

The strong feeling among the local unions against any control by the national organization caused the defeat of the proposed constitution by a decisive majority.<sup>1</sup>

By 1876, the advisability of some uniform regulations concerning strikes had become so evident that while the subordinate unions were unwilling to commit the matter definitely to the International Union, amendments to the general laws required "subordinate unions not to order a strike without at least a three-quarters vote of the union, all the members being constitutionally notified of the meeting." No members were permitted to vote "on such questions unless having belonged to the subordinate union interested at least six months."<sup>2</sup> Since subordinate unions were not aided by the International Union in case of strike, disobedience to these rules carried no penalty. The deliberate expression of the central organization concerning the proper procedure in inaugurating strikes undoubtedly strengthened the hands of the conservative element in the local unions, but beyond this, the strike law was ineffectual until the strike fund was established in 1885.

The formation of a national defense or strike fund was urged at an early date. In the "Address to Local Societies" issued in 1836, the National Typographical Convention proposed: "In case it shall be necessary in any local society to strike for an advance of wages, it shall be the duty of all other societies to contribute such sum as shall be necessary to sustain them. Provided, the board of control of the National Society previously sanctions the strike."<sup>3</sup> At the national convention of Journeymen Printers held in 1850, it was proposed that local unions should have the right "to call on sister unions for aid to the extent of \$1 from each member as a loan until the settlement of the local difficulty." When, however, the constitution of the National Typographical

<sup>1</sup> "Proceedings of the Thirteenth Annual Session of the National Typographical Union" (Detroit, 1865), p. 42.

<sup>2</sup> "Proceedings of the Twenty-fourth Annual Session of the International Union" (Boston, 1876), p. 26.

<sup>3</sup> "Proceedings of the National Typographical Convention" (Washington, 1836), p. 13.

Union was drawn up, no provision was made for a national strike fund.

During the thirty-two years following the organization of the National Typographical Union in 1852, many plans for a national fund were offered. As early as 1867, an act for the establishment of such a fund was passed by the National Union and submitted to the locals, but the larger unions strongly opposed the project. The opponents of the measure foresaw clearly the result of its adoption. Cincinnati Typographical Union urged in protest that "it would be necessary to clothe the dispenser of the fund with power to pass upon the legitimacy of a strike before rendering assistance; otherwise the tendency would be to encourage . . . strikes."<sup>1</sup> Although the measure was reported as having been ratified by the subordinate unions, on account of the bitter hostility shown by some of the strong local unions, the president of the Union decided not to enforce the law.<sup>2</sup> After a desultory discussion for some years the project was dropped until 1875, when a measure known as the "McVicar fund law" was proposed. Three years later this law was passed. It provided for the payment of one dollar annually by each member of the subordinate unions. The money thus collected was to be held by the officials of the local unions, subject to the order of the secretary-treasurer of the International Union. Aid was to be given from the fund only after the strike had been approved by a three-fourths vote of the local union in a meeting of which the members had had at least twelve hours' notice. The sanction of the president of the International Union was also necessary in all cases except in case of a strike against a reduction in wages.<sup>3</sup> The subordinate unions, almost without exception, refused to pay their assessments, and the International Union repealed the law.<sup>4</sup> Finally

<sup>1</sup> "Proceedings of the Fifteenth Annual Session of the National Typographical Union" (New York, 1867), p. 43.

<sup>2</sup> "Proceedings of the Sixteenth Annual Session of the National Typographical Union" (New York, 1868), p. 7.

<sup>3</sup> "Proceedings of the Twenty-sixth Annual Session of the International Typographical Union" (New York, 1878), p. 71 *et seq.*

<sup>4</sup> "Proceedings of the Twenty-seventh Annual Session of the International Typographical Union" (New York, 1879), pp. 11, 27.

in 1885, a successful strike law was enacted, providing for assistance to local unions in case of strike. For several years the law was not effectively enforced, and the fund was very small, but the Union has always had a defense fund since 1885.

The slow development among the union printers of a belief in the desirability of a central defense fund was largely due to the character of the industry. In 1860, for example, a much larger proportion of the printers were employed on newspapers than at present, and newspapers in different cities even yet compete only slightly. In the book and job trade, competition among the master printers of different cities is of recent growth. Under these circumstances the chief function of the Typographical Union for nearly forty years was to aid local societies by preventing an influx of printers in times of strike. As the integration of the country became closer, the ability of printers in one city to raise prices came to depend very largely on the scale in force in other places. With the realization of this change in conditions, came the willingness to contribute to a common treasury.

Directly or indirectly all recent developments in the method of collective bargaining between the union printers and their employers are the outcome of the establishment of the Union's defense fund. The period since 1885 has been marked (1) by the establishment of a corps of officials known as "organizers" who participate in local bargaining, (2) by the formation of local and national associations of employers dealing as units with the subordinate unions and the International Union, and finally (3) by the wide extension of the system of formal contracts sanctioned in many cases by the International Union. These developments will be considered in the remainder of this paper.

The defense fund law of 1885 was faulty in many respects, but chiefly in that collective bargaining was left almost entirely in the hands of the locals. In order to secure aid from the fund, the local union had to obtain the consent of the executive committee consisting of the president, the chief organizer, and a vice-president or a state deputy. These offi-

cers, located in various parts of the country, and receiving small salaries, devoted only a small part of their time to the work of the Union, and were necessarily unable to participate in the bargaining between the local union and the employers. President Aimison touched the heart of the difficulty in his address at the session of the International Union in 1886: "Either the whole question of strikes should be placed under the control of the executive committee or the law repealed. It may be thought that the approval by the council of a strike before the fund can be used places the subject-matter sufficiently under control. But the fact that steps can be taken from which no retreat is possible before the council is notified is a danger not to be avoided under the law as it now stands. Experience convinces me that many if not most of the strikes which occur are either without adequate cause, are ill-timed or are hopeless of success; and I fear that in numerous instances the spirit of the law is disregarded, that to secure the necessary majority to order a strike the rights of the minority are trampled upon. These facts, the sufficiency of the cause, the propriety as to the occasion and the legality of the method . . . should be ascertained before a strike is approved. They cannot be ascertained without the presence upon the ground of an International officer." In accordance with this advice, the law was amended to read: "In the event of a disagreement between a subordinate union and employer, which in the opinion of the union may result in a strike, such union shall notify the chief organizer, who shall immediately repair to the place where said union is located and investigate the cause of disagreement and endeavor to adjust the difficulty by arbitration. If his efforts should prove futile, he shall apprise the other members of the executive council of all the circumstances, and if a majority of said council shall decide that a strike is expedient and justifiable, such union may be authorized to order a strike. . . ."

During the year 1887-1888, the subordinate unions were involved in many costly strikes, and the president of the International in 1888 urged strongly that the defense-fund law should be again amended. The assessment for the defense fund was doubled and the foundation laid for the present

system of organizers. The territory of the Union was divided into seven districts, and it was provided that an organizer should be elected yearly for each district by the delegates from the district present at the session of the International Union. Before any assistance might be given to a subordinate union from the defense fund, the union was required to notify the organizer of the district, who went to the place, investigated the cause of the disagreement, and endeavored to adjust the difficulty.<sup>1</sup>

The method of selecting organizers by districts was by no means satisfactory. In 1893, the president urged upon the delegates the importance of greater care in selecting these officials. "The great majority of strikes," he said, "arise from technical violations of the scale by employers, and our members, fearful that the encroachment is but the fore-runner of other and more comprehensive demands, are naturally enough inclined to resist at the outset. . . . Our chief reliance in avoiding difficulty at this stage must necessarily be the organizer, and if that official fails to meet the question courageously all hope of adjustment can be abandoned." The organizers usually remained in office only a short time, since new delegates from the district usually regarded the position as part of the spoils of union politics. A second defect in the system was that the organizers were paid by the day and usually secured only a few weeks' work each year. Thus in the year 1895-1896, forty-six organizers and deputy organizers received pay for aiding unions in the work of bargaining. The highest amount paid to any one of them was \$155. All of these officials were actively engaged in the printing industry as workmen.

A reform in the system was clearly advisable. Permanence in office and continuity in employment were advocated as requisites for securing efficient organizers. In 1896, President Prescott recommended this policy with great force. "It would be incomparably better," he said, "to have one or two men devoting their entire time to the work now devolving on

<sup>1</sup> "Proceedings of the Thirty-sixth Annual Session of the International Typographical Union" (Chicago, 1888), p. 146.

the organizers. As practice makes for perfection, those officials would soon become adepts in the art of organizing, treating with employers, and managing strikes." A proposed amendment giving the president the power of appointment was defeated on account of the strong feeling against centralization.<sup>1</sup> Similar proposals for a reform in the system, brought forward at almost every session of the Union and twice submitted to the referendum, were defeated until the session of 1901, when the power of appointment was vested in the president.<sup>2</sup> The organizers are still paid by the day, but the abolition of the district system has made it possible to employ several of them continuously. The International Union has thus, after a delay of many years, secured a staff of experienced officials who assume charge of the bargaining of the subordinate unions whenever it appears likely that a breach of industrial peace is threatened.

The table on the next page, compiled from the reports of the secretary-treasurer, shows the amounts expended by the International Union for the expenses of organizers engaged in local bargaining, and the amounts paid to local unions in difficulties with employers.

While the sums paid to unions vary greatly in different years, the amount expended for organizers has steadily increased. If the expenditures in any five years covered by the table are compared with those in any preceding period of equal length, it becomes clear that the Typographical Union spends an increasing part of its defense fund in the process of collective bargaining and a decreasing portion in outlay for strikes. Thus, in no year from 1890 to 1895 was the expenditure for organizers greater than fourteen per cent. of the total amount paid from the defense fund, while in three of the years, from 1899 to 1904, the expenditure for organizers was nearly fifty per cent. of the total expended for defense purposes, and in only one year did it go as low as thirteen per cent. The efficiency of the force of organizers in averting

<sup>1</sup> "Proceedings of the Forty-third Session of the International Typographical Union" (Indianapolis, 1896), pp. 114, 116.

<sup>2</sup> "Proceedings of the Forty-seventh Session of the International Typographical Union" (Indianapolis, 1901), p. 116.

strikes has been strongly praised by the International officers. Secretary-Treasurer Bramwood said in his report for 1898: "To the casual reader the sum expended in traveling expenses by the organizers and officers may seem large, but it is impossible to estimate the money saved local unions or the International by these arbiters, who, in many instances, averted serious conflicts between employers and employees."

When the International defense fund was established, many local unions maintained funds for strike purposes. The larger

#### EXPENDITURES FROM DEFENSE FUND

	Paid to unions	Expenses of organizers(1)	Percentage of total expenditures paid to organizers
1890 .....	\$11,519.50	\$1,346.61	.10
1891 .....	18,227.69	1,812.09	.09
1892 .....	48,616.63	2,212.09	.04
1893 .....	44,860.72	3,601.39	.07
1894 .....	29,959.78	4,874.91	.14
1895 .....	21,602.81	3,155.02	.13
1896 .....	18,760.58	4,568.77	.19
1897 } .....	45,262.55	12,202.18	.21
1898 } .....	19,080.74	7,806.81	.29
1900 .....	79,608.71	11,699.80	.13
1901 .....	13,009.39	10,277.58	.43
1902 .....	14,442.67	13,238.48	.48
1903 .....	15,106.92	14,622.63	.49
1904 .....	54,558.22	15,229.64	.22

(1) Exclusive of expenses incurred in organizing new unions.

unions continued to finance their strikes without the aid of the central treasury. The power of the International Union to control collective bargaining was thus limited to those cases in which aid was expected. Although the general laws of the Union prescribed that no strike or lockout should be "deemed legal or moneys expended from the defense fund on that account" unless the strike or lockout should have been "authorized or recognized by the executive council," and also that "to affect union men prejudicially to their standing in the Union, the strike must have been authorized in accordance with the [International] law,"<sup>1</sup> local unions frequently dis-

<sup>1</sup> "Book of Laws" (Indianapolis, 1903), General Laws, secs. 126, 127.

regarded these provisions and declared strikes without consulting the executive committee. As the interests of the Union became more fully nationalized and a national policy developed, the members came to realize that a striking union, even though paying its own expenses, might seriously imperil the success of a general policy of the International Union. Owing to the unhappy outcome of two unsanctioned strikes in the year 1903-04, this feeling crystallized into legislation. The 1904 session of the Typographical Union amended the strike law, and required the council to "immediately disown" all strikes occurring without its sanction, and "to guarantee protection to all members who remain at, accept, or return to work in offices affected by an illegal strike."

While the employees in the printing trades have formed their organizations along craft lines, the employers have ignored such distinctions in their own organizations. From the standpoint of the employers, the printing trade consists of two branches: newspaper publishing and book and job printing. This classification is based chiefly on differences in the conditions under which the products are sold. The output of the book and job printer is subject to a wider and severer competition than that of the newspaper publisher. Only in the smaller towns do the newspaper publishers and the book and job printers unite in a single organization, and such associations are rarely long-lived and have never attained the dignity of a national organization. The effective employers' associations are thus confined to the larger cities, where the differentiation between the two branches of the trade is complete. As a result the organization of the employers is by no means co-extensive with that of their employees. Thus, in July, 1904, typographical unions were active in 600 towns and cities in the United States and Canada, while the employing book and job printers had distinctive organizations, affiliated with their national association, in only fifty-four cities, and the newspaper publishers were organized in only 113 places. The importance of the employers' associations, however, is far greater than is thus indicated, inasmuch as the fifty-four cities

organized by the book and job printers include the chief printing centres in North America.

Prior to 1887, associations of book and job printers for the purpose of negotiating collectively with the unions were usually temporary. The New York Typothetæ, founded at a meeting in Tammany Hall, December 26, 1862, is the oldest association of master printers now existing in the United States. Interest in the organization died out after a few years, but in 1883 the association was revived.<sup>1</sup> In 1886, *The American Bookmaker*, a trade journal, urged the formation of similar societies in other cities, and within a short time, typothetæ were organized in Chicago, St. Louis, Cincinnati, and Richmond.<sup>2</sup> The rapid increase of these associations was due to the new power acquired by the typographical unions, through the establishment of a national defense fund.

Confident in its new resources, the International Typographical Union in 1886 declared by resolution that on and after November 1, 1887, nine hours should "constitute a day's work." As a consequence of this demand, the Chicago typothetæ issued an address to the employing printers of the United States and Canada calling a convention at Chicago on October 18, 1887, "for the purpose of devising plans for united action upon the recent demand of the International Typographical Union that nine hours shall constitute a day's work." In the meantime, the president of the Typographical Union, having become convinced that the reduction in hours could not be accomplished, called a conference of delegates from representative unions. Acting on the advice of this informally constituted body, the executive board suspended the operation of the nine-hour law and instructed the members of the conference to proceed to Chicago to "consult with the Typothetæ and, if possible, make some arrangements by which a joint understanding could be had." Representatives from seventeen local associations of employing printers met in Chicago, October 18-20, and formed a national organization—

<sup>1</sup> *The American Bookmaker*, Vol. 1, p. 10.

<sup>2</sup> *Ib.*, Vol. 3, *passim*.

The United Typothetæ of America. The conference committee of the International Typographical Union assembled in Chicago at the same time. The Union committee proposed, if the nine-hour day should be conceded, to instruct the subordinate unions to reduce their wage scales proportionally.<sup>1</sup> This proposal was rejected, and the Union at its next session repealed the nine-hour law.

The structure of the Typothetæ was so loose and the control over the members so slight, that any continuous bargaining with the International Union was impracticable. The attitude of its organizers was clearly expressed by the president of the Typothetæ in his address at the second convention: "Our society," said Mr. De Vinne, "is unlike any in the trade. It is voluntary and not coercive. We are here as freemen, not pledged to blind obedience in support of any leader or any policy—it is not in *our* plan to coerce unwilling or half-willing members in obedience to a policy they do not approve. We are here for counsel and for that cheerful and voluntary concert of action which comes only from a conviction of the justice of the counsellings." The members of the Typothetæ were not bound to follow any line of action recommended by the national body, and the assessments were so small that the revenue of the organization was not more than sufficient to defray the small administrative expenses. The annual income of the Typothetæ, as late as 1902, was barely \$3000. The greater part of this sum was spent in publishing and distributing the report of the convention proceedings.

The Typographical Union in 1888 renewed its attempt to deal with the Typothetæ and appointed three representatives to confer with that organization "with a view to establish a basis upon which a good understanding and honorable peace may be secured." In answer to a communication from this committee, the Typothetæ replied: "There exists no matter of difference between the two bodies which would come properly under the jurisdiction of the United Typothetæ. If any misunderstandings or disputes exist they should be

<sup>1</sup> "Proceedings of the First Convention of the United Typothetæ of America" (Richmond, 1887), p. 16.

settled by the local typothetæ interested.”<sup>1</sup> The committee from the Typographical Union persisted in its proposal and requested permission to discuss: first, a proper apprenticeship system; second, separate unions for the book and job trade; third, withdrawal of foremen from Union membership; fourth, arbitration. The matter was referred by the Typothetæ to the executive committee and in an informal discussion the committee from the Union, according to its report, was informed that “the United Typothetæ had no jurisdiction over the local typothetæ in the matters suggested by us for conference, and the executive committee could not enter into an agreement with us that would bind the local typothetæ, their powers being only advisory.” The committee accordingly reported to the Union: “After examining the subject we find that the National Typothetæ claim that they have no power to make contracts which would be binding on others, all such power, if any exists, being vested in the local bodies,” and recommended that the subordinate unions “take some action toward negotiating as a body with the local Typothetæ.”<sup>2</sup>

Meantime the agitation for a shorter working day had been vigorously carried on within the Union. A committee, appointed at the Atlanta meeting in 1890 to reply to an address, opposing the nine-hour day, issued by the employing printers, declared that the Union wished to bring about the shorter workday by national agreement, but urged the journeymen printers to “prepare for the successful carrying out of the movement in favor of shorter hours.”<sup>3</sup> A year later, the International Union submitted to the membership a proposition for a nine-hour day law to be effective on October 1, 1891. At the referendum, 9340 votes were cast for the proposition and 3556 against, but President Prescott held that a three-fourths majority was necessary to ratify on the ground that

<sup>1</sup> “Proceedings of Second Annual Meeting of the United Typothetæ of America” (New York, 1888), pp. 31, 32.

<sup>2</sup> “Proceedings of the Thirty-seventh Annual Session of the International Typographical Union” (Indianapolis, 1889), pp. 11, 12, 95.

<sup>3</sup> *The Typographical Journal*, July 15, 1890.

the adoption of the measure would undoubtedly involve strikes.

The result of the referendum had hardly been announced when a great strike began at Pittsburg for the nine-hour day. The executive board of the Union sanctioned the strike; the United Typothetæ endorsed "the action of the Pittsburg typothetæ in resisting the recent demands made by the Typographical Union of that city" and pledged "hearty support in every practicable form."<sup>1</sup> The Pittsburg strike was thus in effect a struggle between the International Union and the United Typothetæ fought out through local branches. The Typographical Union levied an extra assessment on its members and spent upwards of \$60,000 from the defense fund in carrying on the strike. The United Typothetæ, adhering to its policy of voluntary action on the part of its members, collected by contribution a sum of money for securing the adjudication of certain legal questions raised by the strike. Employers in other cities aided the Pittsburg typothetæ with workmen and in other ways.<sup>2</sup> The strike after two years' duration was lost by the Union.

Until 1896, all propositions submitted to the membership of the Typographical Union for the general inauguration of the shorter working day were defeated. At the session of the Union held at Colorado Springs in that year a new plan was proposed and adopted. A committee was appointed to manage the movement, and subordinate unions were requested to levy assessments to provide funds for local disbursement in strikes occurring in the execution of the plan. The shorter workday committee carried on an extensive propaganda among the local unions, and arrangements were made with the allied unions of pressmen and bookbinders for simultaneous action. Matters were so far advanced by 1898 that the committee had already set the date on which the shorter working

<sup>1</sup> "Proceedings of the Sixth Annual Convention of the United Typothetæ of America" (Richmond, 1892), p. 28.

<sup>2</sup> "Proceedings of the Fortieth Annual Session of the International Typographical Union" (Indianapolis, 1892), p. 35; "Proceedings of the Sixth Annual Convention of the United Typothetæ of America" (Richmond, 1892), *passim*.

day should become effective. While affairs were in this state, the United Typothetæ held its annual convention. Representatives of the Pressmen and of the Typographical Union were permitted to address the convention, and the Typothetæ appointed a committee to confer with the shorter workday committee.

This conference—known in the trade as the Syracuse Conference—agreed upon a plan for the reduction of hours of work. The fifty-seven hour week was to go into effect on the 21st of November, 1898, and the fifty-four hour week one year later. The Typographical, Pressmen's, and Bookbinders' Unions, on their part agreed to attempt an equalization of wages in competitive districts. The representatives from the Typothetæ were unable to bind the members of that organization and could go no farther than earnestly to recommend the observance of the agreement to their fellow members.<sup>1</sup> Practically all the members of the Typothetæ, however, adhered to the agreement, and, in 1899, President Donnelly of the Typographical Union stated that ninety per cent. of the members of his Union had obtained the shorter workday.

Decided opposition to regular conferences with the Unions manifested itself at the meeting of the Typothetæ in 1899. Many of the employers of non-union workmen objected to such conferences on the ground that they felt morally bound by agreements of the Typothetæ with the Union.<sup>2</sup> In the same year the differences between the two organizations were intensified by the Kansas City strike. The typothetæ of that place secured the aid of the United Typothetæ in resisting the demands of the local typographical union. An appeal was issued by the executive committee asking for aid to the amount of \$50,000. A number of grievances were alleged by the local union, but the Typothetæ extended aid on the ground that the strike had been called for the purpose of unionizing the shops.<sup>3</sup> The strike was a repetition of the one

<sup>1</sup> "Report of Conference of Committees on Shorter Workday" (Boston, 1898), pp. 183, 184.

<sup>2</sup> "Proceedings of the Thirteenth Annual Convention of the United Typothetæ of America" (Boston, 1899), p. 75 *et seq.*

<sup>3</sup> "Proceedings of the Fourteenth Annual Convention of the United

at Pittsburg eight years before, in that a question affecting the entire trade was fought out by national organizations through local branches.

While the structural form of the United Typothetæ thus remained loose and decentralized, the local typothetæ had for the most part developed efficient associations for bargaining purposes. A difficulty, however, was encountered in dealing with local unions, since the unions were unable to submit to conciliation questions covered by the laws of the International Union. An important case of this kind occurred in New York. The New York typothetæ and the local typographical union concluded an agreement to refer to the International Union and the United Typothetæ for arbitration "such points as conflict with the present International Typographical Union laws." The executive council of the Union declined, however, to sanction the arbitration of the International rule requiring foremen to be members of the Union. The International Union at its next session endorsed this action and ordered the executive officers not to submit any of the laws of the Union to arbitration. In 1902, the executive council of the Union and the executive committee of the United Typothetæ met and discussed the formation of an agreement for the arbitration of disputes by a national board. The representatives of the Union refused to make any concessions on the "closed shop" question, and the Typothetæ committee insisted on a provision that a week's work should remain fifty-four hours during the five years covered by the agreement.<sup>1</sup> These differences proved irreconcilable.

The Kansas City strike, the action of the Union in the New York case, and the failure to agree on an arbitration plan led many members of the United Typothetæ to favor the strengthening of that organization. In 1900, a plan for

Typothetæ of America" (n. p., n. d.), pp. 42, 43; "Proceedings of the Forty-sixth Session of the International Typographical Union" (Indianapolis, 1900), p. 74 *et seq.*

<sup>1</sup> "Proceedings of the Forty-eighth Session of the International Typographical Union" (Indianapolis, 1902), pp. 93, 94; "Proceedings of the Sixteenth Annual Convention of the United Typothetæ of America" (St. Louis, 1902), p. 55.

raising a national defense fund was adopted, but since many members of the Typothetæ had no relations with the unions the payment to the emergency fund was made voluntary and only a few of the members subscribed.<sup>1</sup> The Buffalo typothetæ proposed in 1901 certain radical amendments to the constitution, but the advocates of the old régime triumphed in the convention; a new plan for raising a voluntary defense fund was adopted, and the consideration of proposed changes deferred for a year. When the convention met in 1902 the same differences in opinion manifested themselves. A partial agreement, however, was reached on the question of revenue, and the convention increased the assessment on local organizations sufficiently to provide for the employment of a paid official as secretary.<sup>2</sup>

While the Typothetæ was thus slowly moving toward a more highly centralized form of government, the Typographical Union had begun the agitation for a further reduction in the hours of work. The Cincinnati convention, held in 1902, directed the executive council and the first vice-president to act as an eight-hour committee. Local unions were forbidden to make contracts extending beyond October 1, 1905, for a longer working day than eight hours. During the annual convention of the Typothetæ, June 20-23, 1904, the eight-hour committee of the Union had a conference with a committee of the Typothetæ relative to the establishment of the shorter workday. The Typothetæ declared itself "opposed to any reduction of the fifty-four hour week" and expressed its intention of resisting any attempt on the part of the Union to reduce the hours of labor.<sup>3</sup>

The agitation for the eight-hour day strengthened the advocates of centralization in the Typothetæ, and, at the session of 1904, a new constitution was adopted by a unanimous vote. This instrument gives the national organization large powers.

<sup>1</sup> "Proceedings of the Fifteenth Annual Convention of the United Typothete of America" (Norfolk, 1901), p. 29.

<sup>2</sup> "Proceedings of the Sixteenth Annual Convention of the United Typothetæ of America" (St. Louis, 1902), p. 138.

<sup>3</sup> "Proceedings of the Eighteenth Annual Convention of the United Typothetæ of America" (St. Louis, 1904), p. 152.

Under it the United Typothetæ may "legislate for its membership and determine all questions arising between them or it and the trade unions or other employees in regard to shop practice, hours of labor, apprentices and every other question except wages which, being governed by local conditions, shall be regulated by the local organization." The assessment on each \$1000 of wages paid in the mechanical departments was increased from twenty-five cents to \$5. The emergency fund is now maintained from the general assessment and not, as heretofore, by voluntary contributions. The executive committee may pay any member having a strike in his shop an amount equal to his entire loss, or such part as may seem best, such payments to continue only for three months except by special resolution.<sup>1</sup>

With the adoption of the new constitution in 1904, the formative period in the national organization of the book and job employing printers may be considered concluded. The theory held by the founders of the Typothetæ that the association should be simply for consultation and conference has been definitely abandoned. The remodelled organization is financially able to make a vigorous resistance in case of industrial warfare, and possessing a strong control over its members, it can enforce the observance of its contracts. Whatever may be the immediate outcome, the changes made in the constitution have given the organization a structural form highly suitable for national collective bargaining.

While the relations between the Union and the Typothetæ have hitherto been those of opponents, the field of possible bargaining between the two organizations has been marked out. Both have power, under their constitutions, to regulate shop practices, including the length of the working day and the terms of apprenticeship, and both regard the adjustment of wages as a local question. The Typographical Union, having first acquired national power, has enacted a number of laws regulating such matters. The Typothetæ, up to the present, has attempted no positive action, but, at various

<sup>1</sup> "Proceedings of the Eighteenth Annual Convention of the United Typothetæ of America" (St. Louis, 1904), pp. 178, 182.

times, has declared its opposition to certain shop practices enforced by the Union. In September, 1903, the executive committee summarized the chief objections to the Union's regulations in a manifesto entitled "The Declaration of Policy of the United Typothetæ of America." According to this statement, the Typothetæ objects to the closed shop and to the requirement that the foreman shall be a member of the Union. It is opposed to any further reduction in the working time, to any form of exclusive agreement, and to the use of the Union label. The president was careful to state to the convention that the "Declaration of Policy" is not legislation binding upon the individual members, but simply a statement of aims.<sup>1</sup>

The proposed reduction in the working day is the immediate concern of both organizations. The Typographical Union in October, 1904, submitted a new plan for the inauguration of the eight-hour day to the referendum,<sup>2</sup> and it was carried by an overwhelming majority. The law thus adopted requires each local union to make an assessment of one-half of one per cent. on the wages of its members. The sums collected are to be held in the treasuries of the local unions for the support of any strikes resulting from the attempt to enforce the eight-hour day. The International officers are empowered to draw from those local unions which experience no difficulty in securing the shorter working day one-half of the amount collected. The eight-hour day is to become effective on January 1, 1906, and "in each instance where the eight-hour day is refused," work is to cease.

The development of bargaining between the Typographical Union and the newspaper publishers has been along entirely different lines from that with the Typothetæ. This difference has been chiefly due to the character of the organization which the newspaper publishers have used for bargaining purposes. The American Newspaper Publishers' Association was organized in 1887, but for the first thirteen years of its history,

<sup>1</sup> "Proceedings of the Eighteenth Annual Convention of the United Typothetæ of America" (St. Louis, 1904), pp. 18, 19.

<sup>2</sup> "Proceedings of the Fiftieth Session of the International Typographical Union" (Indianapolis, 1904), pp. 182, 183.

the Association did not concern itself with the relations of its members to the unions. During this period the chief function of the organization was the maintenance of a credit bureau, through which members were informed concerning the financial standing of advertisers and advertising agents. A series of difficulties with the Typographical Union in the years 1898-1900, led the local associations of newspaper publishers to strengthen their organizations. In 1898, the Chicago newspapers suspended publication for four days in a united resistance to the demands of the stereotypers—a subordinate union of the Typographical Union. The publishers signed an agreement not to deal separately with a union on strike.<sup>1</sup> In 1899, the Pittsburg publishers' association refused to agree to the demand of the Pittsburg typographical union for jurisdiction over the machine tenders and proof-readers, and a general strike of the newspaper offices resulted. These occurrences caused the American Newspaper Publishers' Association in February, 1900, to appoint a special standing committee to have charge of labor matters. The committee employed a commissioner, who devoted his entire time to the work.

Many members of the Association employ non-union printers. In January, 1901, the Association had one hundred and seventy-three members. Of one hundred and twenty-five reporting their relations with the unions, seventy-four had union composing rooms and sixty-one union stereotype rooms.<sup>2</sup> If an agreement binding on all the members had been made, many publishers would have withdrawn, and the primary aims of the Association would have been sacrificed. The solution of the same difficulty reached by the stove manufacturers—the formation of a new organization for the sole purpose of dealing with the unions—was regarded for this reason as undesirable. Working within these limitations, the Association has directed its efforts, not to the establishment of a sys-

<sup>1</sup> *The Typographical Journal*, Vol. 13, p. 58 *et seq.*; "Proceedings of the Forty-sixth Session of the International Typographical Union" (Indianapolis, 1900), p. 19.

<sup>2</sup> "Statistics of Daily Newspaper Officers for the Year 1900" (Chicago, Ill.).

tem of national collective bargaining, but to providing a method of adjustment for individual disputes. The aim of the Publishers has not been to influence the subject-matter of the agreements entered into by members of the Association and the unions, but to provide means for the peaceable settlement of disputes. Since the nature of the newspaper publishing business makes interruptions in work more than ordinarily undesirable, the primary desire of the Association has been the avoidance of strikes.

Acting on these principles, the publishers naturally selected arbitration and not conciliation as the method for adjusting differences between members of the Association and the Typographical Union. At the convention of the Typographical Union held at Milwaukee in 1900, Commissioner Driscoll proposed to the Union the formation of an arbitration agreement, and the Union instructed the executive council to negotiate an agreement along the lines indicated. Accordingly a plan for arbitrating disputes was drawn up at a conference between the executive council of the Union and a committee of the American Newspaper Publishers' Association. This agreement was submitted to a popular vote of the Union and ratified by a large majority. The agreement provided that any member of the Publishers' Association having a contract with a local union might enter into an additional contract with the International Typographical Union, agreeing to arbitrate any differences arising under his contract with the local union. In case of a dispute with a local union over the interpretation of the contract, the questions in dispute were to be submitted to arbitration. If, however, local arbitration or arbitrators could not be agreed upon, or if the findings of the arbitrators proved unsatisfactory to either party, the matter might then be submitted to the national board of arbitration, consisting of the president of the Typographical Union, the commissioner of the Newspaper Publishers' Association, and, in the event of their disagreement, of a third arbitrator selected by the board. The life of the arbitration agreement was limited to one year.

The essential parts of the arbitration agreement were (1) the provision that pending the decision of the board, work

should be continued in the office of the publisher, and (2) the compact that "in the event of either party to the dispute refusing to accept and comply with the decision of the national board of arbitration all aid and support to the employer or local union refusing acceptance and compliance shall be withdrawn by both parties to the agreement." As the arbitration agreement did not provide for the arbitration of all differences but only those arising under a verbal or written contract, strikes might still occur at the expiration of a contract.

The agreement did not afford security against sympathetic strikes. According to a law of the Typographical Union, subordinate unions were required to insert in all their contracts a clause providing that the contract should be null and void in case of the strike or lockout of any affiliated union, provided that such strike or lockout occurred after all efforts of arbitration had failed.<sup>1</sup> In 1901, Commissioner Driscoll secured the insertion of an additional proviso that such failure should be "through the fault of the employer,"<sup>2</sup> and a year later, the Union repealed the entire law.<sup>3</sup> The continuance of contracts under the arbitration agreement was thus made entirely independent of sympathetic strikes.

A further step in the development of the arbitration agreement was taken in 1902, when at the expiration of the old agreement a new one was negotiated for the term of five years. The new agreement is substantially identical with the old except that it covers disputes arising over scales and hours in the making of new contracts. Naturally, the number of cases coming up to the national arbitration board increased greatly. Under the agreement as it stood prior to May 1, 1902, only one case was decided by the national board. In the year May 1, 1902, to May 1, 1903, twelve cases were settled under the revised agreement. This increase was not due chiefly to the increasing number of publishers signing arbitration contracts, but to the extension in the scope of the agreement. All of the

<sup>1</sup> "Book of Laws" (Indianapolis, 1900), sec. 115.

<sup>2</sup> "Proceedings of the Forty-seventh Session of the International Typographical Union" (Indianapolis, 1901), pp. 109, 141.

<sup>3</sup> "Proceedings of the Forty-eighth Session of the International Typographical Union" (Indianapolis, 1902), p. 140.

twelve cases settled in 1902-1903 were disputes concerning the terms of new contracts.

The increasing number of cases subjected the agreement to a severe strain. The method of procedure in arbitration cases had been only roughly outlined, and the president of the Union asserted that, in certain cases, the procedure had been of a kind to forfeit the right of the publishers interested to the protection of the agreement. In two cases he refused to act as an arbitrator, and the local unions were instructed to enforce their revised scales. The greater part of the irregularities complained of were easily corrected. The special standing committee of the American Newspaper Publishers' Association and the executive council of the Typographical Union drew up a code of procedure governing future arbitrations, and a definite interpretation was given to certain sections of the agreement concerning which controversy had arisen.<sup>1</sup>

One of the questions thus settled, temporarily at least, was of great importance and illustrates an inherent difficulty in the relations of the Union and the Publishers. In one of the cases, which President Lynch refused to arbitrate, the Publishers wished to bring before the board of arbitration certain shop practices determined by the laws of the Union. President Lynch held that under the agreement only hours and wages could be arbitrated. In this decision he was unanimously sustained by the next session of the Union.<sup>2</sup> The committee on arbitration thus defined the position of the Union: "International Typographical Union law in existence at the inception of the arbitration agreement cannot be arbitrated for the reason that only by referendum vote can it be receded from or altered. The International Typographical Union constitution and by-laws, like those of the United States government, represent what the members of this Union believe to be principles that cannot be arbitrated, and their arbitration was never contemplated. They are necessary to the life of the organization and must be maintained." Many of the laws

<sup>1</sup> "Proceedings of the Fiftieth Session of the International Typographical Union" (Indianapolis, 1904), pp. 37, 38.

<sup>2</sup> "Proceedings of the Forty-ninth Session of the International Typographical Union" (Indianapolis, 1903), p. 153.

of the Union define shop practices. The employers are naturally desirous that such rules should be subject to arbitration. It appears impossible, however, to submit national shop practices to local arbitration. It is not so clear that local laws differing from national regulations might not be arbitrated. The Publishers have accepted the principle that under the agreement, neither national nor local laws are to be arbitrated. Up to the present time, the only influence the Publishers' Association has been able to exert upon the shop rules of the unions has been through the annual address of its commissioner at the session of the Union.

The practice of embodying in written documents—known as agreements—the terms of employment fixed by the unions and the employers, is of comparatively recent origin in the Typographical Union. Only since local organizations of employers have come into existence has the agreement been widely used, and at the present time the great majority of agreements in force are those made by employers' organizations with the unions. Individual employers rarely make such contracts. The increase in the number of agreements concluded in recent years has attracted the attention of the International Union and gradually a certain amount of control over the agreement has evolved. As the International Union developed a general policy, the president urged that local unions should not be permitted to enter into contracts without securing the consent of the executive board. In 1902 the Union enacted the following law: "No local union shall sign a contract guaranteeing its members to work for any proprietor, firm, or corporation, unless such contract is in accordance with the International law and approved by the International president."<sup>1</sup> The International Union has favored the making of agreements for definite terms and the president has advised the local unions, wherever practicable, to make such contracts.

The agreement has proved a powerful check on the enact-

<sup>1</sup> "Proceedings of the Forty-sixth Annual Session of the International Typographical Union" (Indianapolis, 1900), p. 83.

ment of new shop rules. The rule is well established in the trade that the Union cannot enforce shop rules enacted after an agreement has been signed. The increasing number of agreements make it impracticable for local unions to alter their shop rules without the consent of the employers, except at the expiration of the contract, when such rules can be discussed in the formulation of new contracts.

Collective bargaining has developed by no means equally over all the territory of the Typographical Union. In the smaller cities where no associations of employers exist or only temporary ones, the only advance made over the primitive form of bargaining is in the control exercised by the International Union through its organizers. In general, industrial peace has been conserved by these officials; and ill-advised strikes, even in smaller places, are rarer than they once were. In the larger cities, comprising the chief printing centres, collective bargaining is carried on with compact associations of employers. The development, even here, must, however, be regarded as obviously incomplete. In both branches of the trade, the need for a method of adjusting shop practices, including the length of the working day, by national conferences has manifested itself. The Typothetæ, at least, has evolved a structural form suitable for the exercise of this function. The conditions in the trade are so varied, extending as it does into every hamlet in the country, that any national determination of wages appears impracticable in the near future. The immediate task before the Typographical Union and the national employers' associations is the formulation of a method for settling shop practices by national conciliation or arbitration.

## VII

# EMPLOYERS' ASSOCIATIONS IN THE UNITED STATES

BY

F. W. HILBERT



## VII

### EMPLOYERS' ASSOCIATIONS IN THE UNITED STATES

EMPLOYERS' associations, formed solely for the purpose of dealing collectively with labor, come into existence only after organizations of employees have become strong enough to gain advantages in the making of the labor contract. The rivalries and the jealousies of competing employers prevent combined action until common danger in the face of more exacting demands of labor unions suggests association for the purpose of conciliation or for aggressive action. Associations thus originating may be divided into two general classes,—those organized along trade lines and those disregarding trade lines. The first class of associations contain only employers of a particular trade or of closely related trades; their organization is local, district, or national, in accordance with the structure of the opposing trade union. Parallel organizations of employers and employees—a necessary condition for collective bargaining—are here present, and such employers' associations, whether conciliatory or militant in spirit, tend sooner or later to form agreements with the corresponding unions. The second class of associations, on the contrary, admit to membership employers in various trades, and in some cases non-union employees. They are not designed for collective bargaining, but for a reactionary destruction of the unions, and a return to the old system of individualism.

1. Trade Associations	<table border="0"><tr><td>1. Local</td><td>{ <i>a</i>, single trades; <i>b</i>, federations of closely allied trades.</td></tr><tr><td>2. District</td><td></td></tr><tr><td>3. National</td><td>{ <i>a</i>, single trades; <i>b</i>, federations of closely allied trades.</td></tr></table>	1. Local	{ <i>a</i> , single trades; <i>b</i> , federations of closely allied trades.	2. District		3. National	{ <i>a</i> , single trades; <i>b</i> , federations of closely allied trades.
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2. General Associations	<table border="0"><tr><td>1. Local</td><td>{ <i>a</i>, membership limited to employers; <i>b</i>, membership including both employers and employees.</td></tr><tr><td>2. National</td><td>{ <i>a</i>, membership limited to employers; <i>b</i>, membership including both employers and employees.</td></tr></table>	1. Local	{ <i>a</i> , membership limited to employers; <i>b</i> , membership including both employers and employees.	2. National	{ <i>a</i> , membership limited to employers; <i>b</i> , membership including both employers and employees.		
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The above-named groups of employers' associations will be described, in order, with particular reference to their influence in the development of collective bargaining.

*Local Trade Associations.*—Trade associations of employers, like unions of employees, were first organized in the larger cities where conditions of production and competition are similar, and where community of interests is first felt. They remained comparatively few in number until the revival of business following the Civil War, and were designed primarily for social and educational purposes, sometimes to obtain legislation of advantage to the particular trade, and occasionally to limit competition by the regulation of prices. Few national labor unions were then in existence, and these possessed little centralized power. The local union exercised nearly all the functions of a trade union, but in only a few localities did it embrace enough of the workers in its trade to secure many advantages. As the unions became stronger and more numerous, the employers began to suffer through the demands of the unions, the frequency of strikes, and the consequent unsettling of business. The employers' associations already formed commenced to discuss means of restraining the unions, and gradually subordinated other business to consideration of the labor problem. Similarly, an increasing number of new associations were brought into being for the purpose of offsetting the organizations of labor.

In consequence of the long-continued localized character of the building trades, the development of local employers' associations is best shown in that industry. Local unions in the building trades were originally accustomed to fix a wage scale for their particular crafts, and employers desiring workmen were required to pay the wages of the scale. For instance, the bricklayers, where organized, were in the habit of making their scale in the spring for the ensuing year, and were generally able to enforce it, sometimes because of the absence of united opposition, but more often because that opposition was weak. Thus in 1871, the Master Masons of Albany, N. Y., agreed among themselves not to pay the wages fixed by the local union. A strike ensued, but as there was no

further binding force than the informal agreement they soon submitted individually to the demands of the union.<sup>1</sup>

Somewhat later the method of arbitrating the wage scale and other demands of the union came into vogue. This practice grew rapidly in the building trades. The Bricklayers recognized the principle of arbitration in their constitution, and insisted upon it as a policy of the organization.<sup>2</sup> This virtually compelled an association of the master masons, by whom an arbitration committee might be selected to meet a similar committee from the union. An extensive strike of bricklayers in New York City in 1884 was settled by the employers forming an association and submitting to arbitration their differences with the union. The object of the employers' association as stated in their constitution was: "To arbitrate differences and so avoid the great evil of strikes, which unsettle our business and drive capital into other channels for investment."<sup>3</sup>

As the building trades became more specialized, the number of unions increased, and the individual union became more insistent in its demands. On the other hand, weakness in the employers' associations grew more evident, in that some members to secure temporary advantages would make agreements with the union independently of the association, while in case of strikes the weaker members were obliged to yield to the demands of the union, or be ruined, since no financial support from the stronger members of the association was forthcoming. One method sometimes used to strengthen the association was to make an exclusive agreement with the union. By such an instrument, the association pledged its members to employ only members of the union, and the union in turn obligated itself to furnish workmen only to members of the association. This agreement, among other effects, compelled the contractors of a locality to become and remain members of

<sup>1</sup> "Proceedings of Sixth Convention of Bricklayers and Masons' International Union" (New York, 1871), p. 2.

<sup>2</sup> "Report of Officers to Twenty-ninth Convention" (Cohoes, n. d.), p. 7; "Report of Officers to Thirtieth Convention" (Cohoes, n. d.), p. 29.

<sup>3</sup> "Proceedings of the Twentieth Convention of Bricklayers and Masons' International Union" (Albany, 1886), pp. 17, 20, 42.

the association, as otherwise they could not obtain sufficient skilled workmen. The union men were usually given higher wages, or shorter hours, and in return the association obtained a monopoly of the local contracting in that particular trade. Although declared illegal by the courts, the agreement was frequently made, and is yet sometimes found, in spite of the fact that the national organizations now oppose its use.<sup>1</sup>

No permanent system of collective bargaining with the local unions was attained, however, until the associations began to follow the unions in providing means for common defense, and in centralizing the power of each association in the hands of executive officers with broad powers in settling labor disputes. In the Carpenters and Builders' Association of Chicago, for instance, a standing committee is now elected annually with power to make and enforce agreements with labor unions. All disputes and grievances between masters and men must be submitted to this committee, and to ensure uniformity of action in labor interests, it is empowered to summon any member as witness and to fine him for failure to appear. In accumulating a defense fund the associations have imitated the unions, and, in some cases, the amount of regular payments to this fund is determined by the income of the corresponding unions. Such payments are regarded by the employers as premiums for strike insurance, and a lapse of membership due to labor troubles carries with it not only the loss of the protection afforded by the association, but also the loss of a proportionate share in the defense fund. The amount of the periodical payments varies in different industries. In the building trades the initiation fees are usually high, probably with the object of discouraging the temporary entrance of competitors from other cities, as well as of occasional contractors from the ranks of the journeymen.

<sup>1</sup> "Report of Officers to Thirty-second Convention of Bricklayers and Masons' International Union" (Cohoes, n. d.), pp. 66, 104; "Report of Officers to Thirty-fourth Convention" (Cohoes, 1899), pp. 97, 149; "Report of Officers to Thirty-fifth Convention" (North Adams, 1900), pp. 43, 237; *The Carpenter*, Vol. II, No. 4, p. 6; Vol. II, No. 6, p. 3; Vol. III, No. 11, p. 6; Vol. VI, No. 4, p. 2; *The Painters' Journal*, Vol. XI, No. 5, p. 1; *Painters' and Paperhangers' Journal*, Vol. XIII, No. 6, p. 3.

men. Annual dues are generally large enough to permit the accumulation of a defense fund after meeting ordinary expenses, and this is in some associations further supplemented by a percentage tax on all contracts obtained by the members.<sup>1</sup> Special assessments are made whenever deemed necessary, usually on the basis of the monthly pay roll. Initiation fees in the Chicago Masons' and Builders' Association are two hundred dollars and the annual dues twelve dollars. Local associations in other industries generally have low initiation fees and high dues. The *Typothetæ* of Chicago has an initiation fee of five dollars, and annual dues of twenty, forty, eighty, one hundred and sixty, and two hundred and forty dollars, according to the number of workmen employed. The Chicago Building Managers' Association, composed of owners of apartment houses and office buildings, has an initiation fee of fifty dollars, and annual dues of fifteen dollars on each building of the owner. When the strike fund became depleted during a recent strike of janitors and elevator men, an additional percentage assessment was levied upon the assessed value of all buildings in charge of the association.

*Local Federated Associations of Closely Allied Trades.*—While from 1895 to 1900 the unions of the building trades were federating into local building-trades councils, and were making use of the sympathetic strike, the progress of building operations in the large cities of the country was seriously affected. In Chicago, these sympathetic strikes were particularly numerous. Thus, in 1900, as many as twenty-three occurred during the process of erecting a single building. Most of these strikes were for trivial causes, but in each case all the men engaged upon the building stopped work.

The need of concerted action against this manœuvre of the unions was promptly realized by the employers. Accordingly, the Carpenters and Builders' Association acting with the Master Plumbers, the Master Steam Fitters, the Master Painters and other similar associations in the building trades—in all fifteen associations—formed the Building Contractors'

<sup>1</sup> "Report of President to Thirty-fifth Convention of Bricklayers and Masons' International Union" (North Adams, 1900), p. 6.

Council. Each association retained its trade autonomy, and was represented in the Council by two delegates for the first fifty members and one for each additional fifty members or major portion thereof; but no organization was allowed more than five representatives. The annual dues were made twenty dollars for each representative, and the executive committee was empowered to make assessments upon the associations according to their membership for the creation and maintenance of a defense fund to be used for defense purposes only.

The constitution of the Council further provided: "Should any difference arise between employer and employees whereby the interests of any association shall be impaired, the association so affected shall discipline the member, or members, for any violation; failing to correct the violation, the said association may appeal to this Council at once to discipline the offending party as it may appear the case demands." Provision was also made that no allied association could enter into an agreement with employees unless ratified by the Council, and certain principles were enumerated with none of which any agreement might conflict.

The unions were unwilling to accept these conditions, and as some were already on strike the Council proceeded to lock them all out. After a protracted contest the Council won, and the principles set forth in its constitution were embodied in written agreements with the separate unions. Comparative peace followed, and no attempt was made to change conditions until the time arrived for renewing contracts in the spring of 1903. The Plasterers' Union made their demands first, and induced the contracting plasterers, of whom there were only a few, to sign an agreement containing the sympathetic-strike clause. In return for this concession, the union men agreed to work only for members of the plasterers' association. The Council refused to ratify this agreement, and as it had been signed by the contracting plasterers, that association was expelled from the Council.

The experience of New York City has been much the same. Sympathetic strikes and union jurisdictional fights interfered with building enterprises, until finally in April, 1903, a

jurisdictional strike of ten thousand carpenters brought building operations throughout the city to a standstill. In order to oppose such exercise of power on the part of the unions, the employers' trade associations, on May 26, formed a federation on the general plan of the Chicago Building Contractors' Council, under the title, "Building Trades Employers' Association." The membership was classified into represented and individual members. The represented member belonged to a trade organization represented in the central body. The individual member was one who for some reason did not belong to his trade organization, and whom the central body did not desire to be excluded. The initiation fee for a represented member was placed at twenty-five dollars, for an individual member, fifty dollars, the annual dues for each forty dollars. Nearly all the contractors in the building trades of New York City to the number of eleven hundred have since become members. The formation of the federation was promptly followed, on June 3, 1903, by a general lockout affecting all union men. Some of the unions were out for four months, but eventually all of the thirty-three branches of the building trades signed agreements similar to those of the Chicago Building Contractors' Council.

The characteristic feature of the New York federation is the absolute power vested in the board of governors, consisting of three members from each employers' association. In order to insure obedience to this board, each member is bonded personally to the president of the federation. The amount of the bond can be fixed arbitrarily by the board of governors,<sup>1</sup> and is determined by the importance of the man to the federation. The desertion of a master mason would be a much more serious loss to the organization, than the desertion of a master plasterer. Accordingly, the amount of the bond for a master mason or carpenter is from twenty-five hundred to twenty-five thousand dollars; for master painters or roofers about twenty-five hundred dollars; for master electricians or plasterers about one thousand dollars. The amount of the bond required of an individual member is three times that of a represented

<sup>1</sup> "Constitution and by-laws" (New York, 1903), secs. 9, 10.

member of equal importance. If a contractor forfeits his bond, all members are notified that he is no longer affiliated and consequently that he cannot work for any general contractor in the organization.

Another important federation of this class is the Chicago Allied Teaming Interests, composed of employers who own the teams used in their own businesses. These employers are organized into separate bodies paralleling the labor unions,—the coal dealers corresponding to the coal teamsters; the milk dealers corresponding to the milk-wagon drivers, the department-store owners corresponding to the department-store teamsters. Agreements were formed with the separate unions at first, but when the teamsters' unions formed a local federation, a joint board of arbitration was established, to which all difficulties were referred. In carrying out the decisions of this board, the unions repeatedly fined members for neglect of duty, and in several cases offenders were expelled from the unions. Decisions were given against members of the employers' association in more than one instance, and the offender fined. By the terms of the agreements, the teamsters are precluded from participation in sympathetic strikes, and this is regarded as a grievance by almost all other unions in the city. In September, 1903, the Chicago Federation of Labor declared in favor of sympathetic strikes. As the thirty thousand teamsters can bring almost any business in the city to a standstill, great pressure has since that time been brought to bear upon them whenever an important strike occurs, and sometimes with success. Thus, during the strike of the street-railway men towards the close of 1903, some of the teamsters as individuals were induced to strike in sympathy against hauling supplies to the railway barns.

Owing to the hostility of the Chicago Federation of Labor, and to the restlessness of the radical element of the teamsters' unions, the members of the Allied Teaming Interests began in 1904 to fear that unsupported they would not be able to cope with the teamsters. They, therefore, joined in a body the federated Chicago Employers' Association excepting from the control of that central body only the existing agreements with the teamsters. The Association has already given notice

that at the expiration of these agreements in 1905, it intends to make a fight for the open shop in all branches of teaming.

*District Trade Associations.*—Certain national unions such as the Mine Workers and the Longshoremen recognize distinct territorial divisions. Corresponding to these divisions, employers' associations covering the same area have been organized. These associations experienced the same difficulty, noted above, of holding members to a definite policy in dealing with the district unions. Even a conciliatory body such as the Illinois Coal Operators' Association formed "to negotiate and make effective agreements with labor organizations, fixing the wages and conditions of employment in and about the coal mines of Illinois, could accomplish little in reducing the frequency of strikes by negotiations with the Mine Workers' Union because of loose organization and lack of power to oblige its members."<sup>1</sup> The same problem met the Lake Carriers' Association, composed of the owners of vessels plying the waters of the Great Lakes, and originally formed to encourage the establishment of lighthouses and life-saving stations. When the employees on the ships and docks organized trade unions in their respective classes of work, the Association failed to enlist the combined efforts of its members in coping with these new factors.

Accordingly both the Coal Operators' Association and the Lake Carriers' Association modified their structural organization; but in different ways. The Coal Operators' Association revised its constitution, so as to place the conduct of labor troubles entirely in the hands of paid officers, every member obligating himself "to maintain and observe the contracts and agreements entered into by the Association."<sup>2</sup> To avoid all temptations to strife and litigation, the Association neither incorporated nor created a defense fund. By encouraging the growth of trade agreements with the Miners' Union, the Association expected to make it worth while, if not necessary, for the operators to be-

<sup>1</sup> "Prospectus, The Illinois Coal Operators' Association" (Chicago, 1900), p. 11.

<sup>2</sup> "Constitution" (Chicago, 1901), Article 13, p. 3.

come members of the Association. It also appointed a committee to educate public opinion as to the obligation of miners to abide by their agreements. On the other hand, the Lake Carriers found it necessary to become incorporated, in order to obtain the central authority necessary to deal with the unions.<sup>1</sup> A capital stock of twenty thousand dollars was authorized, divided into twenty thousand shares of one dollar each, each share representing one hundred net enrolled tons of vessel property. This form of organization was largely influenced by the desire to include in the membership the Steel Corporation and thus extend the uniformity of labor conditions resulting from the trade agreements over that corporation's large fleet of vessels.<sup>2</sup> The Steel Corporation was on general principles opposed to dealing with labor organizations, and in the hope of avoiding such relations and of binding the employees individually to the Corporation, its scheme of profit-sharing with employees had recently been inaugurated. Moreover transportation was a subsidiary business of the Corporation, and it was unwilling to enter the Association on a parity with those engaged only in the lake carrying trade. It did, however, finally consent to take in the new corporation stock to an amount represented by the tonnage of its vessels. Although the executive committee was given wide powers in its relations with labor unions, provision was made in the constitution that individual members might, in addition to the collective agreements, enter into contracts with employees in order to increase the efficiency of the service by systems of bonus or profit-sharing.

*National Trade Associations.*—The oldest national organization of employers in a single industry, formed for the purpose of resisting labor unions, is the Stove Founders' National Defense Association. It was organized in Cincinnati in 1886 by about thirty of the two hundred and twenty-five stove manufacturers then active in the country. For thirteen years

<sup>1</sup> "Statement by Lake Carriers' Association to the Cleveland Civic Federation" (Cleveland, 1904), p. 4; *Marine Review*, Vol. XXVI., No. 25, p. 23.

<sup>2</sup> *Marine Review*, Vol. XXVII., No. 2, p. 25; "Articles of Association and by-laws" (Detroit, 1903), Article 1, sec. 1, p. 7.

previous, the stove founders had had a national organization. But formed for trade purposes and with a purely voluntary membership, this association was ill adapted to meet the new labor conditions. Instead of attempting its reorganization, an entirely distinct association for the sole purpose of opposing the labor unions was formed. There had been several attempts previously to organize an association as a barrier to the growing strength of the Iron Molders' Union; such as the Canadian Iron Founders' Association in 1865, the Iron Founders' Association of Connecticut in 1871, and the Stove Manufacturers' Association of Albany and Troy in 1884; but these were unsuccessful and short-lived.<sup>1</sup> The Defense Association was the first effective militant association, and it has served as a model for nearly all employers' associations of that type since organized.

Within a year after the formation of the Association there were eighty-five firms enrolled. Many of these, however, soon resigned, one of them stating that "they were the only firm in their locality belonging to the Defense Association, and it had a bad effect on their men."<sup>2</sup> After several years the membership became nearly stationary, and has varied but little from the present number of sixty, divided into four districts. There are about three hundred stove manufacturers in the United States, but of these the sixty affiliated with the Association employ about one-half of all the molders engaged in molding stoves.

In order to render opposition to the Iron Molders' Union effective, it was realized that ample funds must be provided. Accordingly the initiation fee was placed at fifty and the annual dues at twenty-five dollars,—the proceeds being used to meet ordinary expenses. A defense fund was created by assessing each member ten cents per month for each molder employed. This defense fund has now reached large proportions, and as each new member must contribute to the fund in proportion to the amount already paid in by affiliated

<sup>1</sup> *Iron Molders' Journal*, June, 1884, p. 8; March, 1872, p. 3; August, 1889, p. 3; May, 1884, p. 11.

<sup>2</sup> "Records of the Stove Founders' National Defense Association" (MS.), Vol. 1, p. 19.

members, the initial cost of joining the Association has become considerable.

The method of handling labor difficulties adopted by the Association at its organization was as follows: If an employer could not come to a satisfactory understanding with his employees, he notified the district committee through the district chairman; and this committee assumed charge of all negotiations, the employer being obliged to abide by its decision. In case the men went on strike, the Association protected the employer affected in three ways—(1) by casting such work as he might require at the foundries of other members of the Association, (2) by securing men for him to continue the work in his own shop up to seventy per cent. of the number of men usually employed, (3) by affording him compensation for the loss of production in a sum not to exceed two dollars per day for each man formerly employed.<sup>1</sup> The Association also paid for all necessary police protection and legal proceedings.

If the molders at any shop refused to do the transferred work of the firm whose men had struck, that shop was closed until the original difficulty was settled; and the work given to another foundry until all the work was done, or all the foundries were closed. Any member having an agreement with his employees binding them not to strike or make demands for higher wages during a stated period was not required to do any of the molding in his shop; but was assessed one dollar and a half for each man of his force required to produce his proportionate share of the castings. It was also agreed that should the goods of any member of the Association be boycotted, none of the members of the union originating the boycott should be given employment by any member of the Association.<sup>2</sup>

The Association employed this procedure in its struggle with the Iron Molders' Union until 1891. In that year the officers of the national Union addressed a communication to the Defense Association, requesting that the use of arbitra-

<sup>1</sup> "Constitution and by-laws" (Columbia, Pa., 1892), Article 8, secs. 4, 6.

<sup>2</sup> *Ib.*, Articles 9, 12, 13.

tion be considered as a means of preventing the occurrence of strikes and lockouts. About one-half of the members were at this time conducting "union" or "closed shops" and the rest "open shops." Those having "open shops" were much opposed to forming any agreement with the Union, and only after four months' consideration was the proposition finally accepted. A conference committee was appointed by each side, and a conciliation agreement adopted. In the thirteen years since elapsed, all difficulties have been settled in this way, and the agreement has been violated neither by the Union nor by the Defense Association. The situation was thus summarized by Mr. Hogan, the secretary of the Association, in a statement to the writer: "The officers of both organizations are reasonable men, and the relations have been mutually beneficial. The representatives of the Union have been educated up to a higher plane of conservatism during these years, and the members of the Defense Association have learned to show due consideration to the interest of the men."

In the beginning of 1902 similar agreements were made by the Defense Association with the Stove Mounters' Union, and the Metal Polishers, Buffers, and Platers' Union. In the yearly conferences with these organizations, the same method was pursued of starting with general principles, and adding clauses to the agreement as unanimity on technical details was reached. In a circular letter to the members of the Defense Association, dated May 12, 1903, the secretary states: "One year ago we seriously questioned the expediency of an agreement with the Stove Mounters' Union or with the Metal Polishers' Union upon the grounds that there seemed grave doubts as to whether the officers of those organizations would hold their members to strict compliance. At present I am disposed to say that they have done better than we believed possible."

The success of the Defense Association led to the organization of two other associations in the iron trade, the National Founders' Association in 1898, composed of foundrymen manufacturing all kinds of cast-iron ware, and the National Metal Trades' Association, in 1899, projected by members of

the former association, whose foundries formed only a part of their manufacturing plants. The objects of the two associations are stated in identical terms:<sup>1</sup>

1. "The adoption of an uniform basis for just and equitable dealings between members and their employees, whereby the interests of both will be properly protected.
2. "The investigation and adjustment by the officers of the Association of any question arising between members and their employees."

The National Founders' Association includes some six hundred firms, employing about thirty-five thousand molders and having a total capitalization of about three hundred and twenty-five million dollars. The membership of the Metal Trades' Association consists of about three hundred and twenty-five firms employing nearly twenty thousand machinists and about fifteen thousand other mechanics and helpers. In the membership of each of the associations nearly all the States and the Dominion of Canada are represented. The Founders' Association has divided the country into eight districts, each with an executive head. These executives together with the national officers constitute the administrative council. There are no such divisions in the Metal Trades' Association. The local metal trades' associations found in certain manufacturing centres have no organic relation with the national body, although they usually work in harmony with it. Commonly organized by national members of a particular locality for greater local effectiveness, they are not represented in the National, and generally include many employers not members of the central body. For instance, the Chicago Metal Trades' Association was organized by seven members of the National, and within a year it had ninety members, eighty-seven of whom were members only of the local association. Recently the paid organizers of the Association have been instructed to make special efforts to induce these local members to join the national organization. One organizer reported that not one application was received from any mem-

<sup>1</sup> "Hand Book, National Founders' Association" (Detroit, 1903), Article 2, p. 89; "The National Metal Trades' Association, What It Is" (Cincinnati, 1903), p. 6.

ber of the New York Association, many members of which said they were "running small shops, doing only a local business, and the local association gave them all the protection they required." These local associations include about five hundred manufacturers, employing approximately forty thousand men.<sup>1</sup>

The Founders' Association has no initiation fee, and annual membership dues of fifty dollars. Contributions to a defense fund are made by each firm upon the basis of men employed, being ten cents per month for each floor molder, seven and a half cents for each bench molder and core maker, and five cents for each apprentice and unskilled workman. In the Metal Trades' Association the initiation fee is one hundred dollars, and membership dues twenty cents per operative per month. The term operative, as used, includes machinists, pipe-fitters, millwrights, blacksmiths, boiler-makers, pattern-makers, carpenters, structural iron workers, electrical workers, machine operators, and helpers to any of these. Any workman receiving less than two dollars per day is classed as unskilled and is counted as one-half an operative. In addition to the ordinary revenues of the Association, the executive officers are authorized to levy a special assessment whenever necessary. The higher dues of the Metal Trades' Association result from the fact that its dealings are with a greater variety of trade unions, thereby increasing possibilities of conflict, and making it the policy of the Association to accumulate a large defense fund.

An employer's reason for joining an association is commonly to secure some assurance against interruption of business by labor troubles. Experience has shown that this risk differs materially both in different establishments, and in dealing with different classes of workmen. A strike in a foundry running molding machines is no very serious matter, nor of proportionately great expense to the Association; but a strike in a foundry employing, in the main, molders highly skilled and difficult to replace, such as loam and machinery molders, means great expense and serious trouble to the

<sup>1</sup> *Bulletin of the National Metal Trades' Association*, Vol. 1, No. 3, p. 42; Vol. 3, No. 3, pp. 1, 3; Vol. 3, No. 6, p. 249.

Association.<sup>1</sup> For this reason, the Founders' Association has graded the cost of membership according to the class of men employed, on the basis of a rough approximation to the cost of replacing that class of men in time of strike. But on the other hand, some radical members of one grade cause the Association at times needless expense because of their lack of diplomacy, while others of the same grade "are willing to make almost any reasonable concession rather than have a strike."<sup>2</sup> Both associations have been endeavoring to find some method of grading the expense of membership according to the personal characteristics of the employer without as yet having obtained very satisfactory results.

Every new member in joining either Association agrees in writing to obey its constitution and by-laws, to endeavor to settle all disputes amicably, and to protect any fellow member who may require support against the unjust demands of labor unions. To discourage the use of membership as a temporary device in labor conflicts, no person or firm actually engaged in a strike can be elected to membership, and no member is entitled to financial support until he has been such for a period of two months. During the early years of the Founders' Association, the administrative council was often obliged to notify an employer that he was in the wrong, and would be expected to recede from his position, resulting in some cases in refusal and resignation from the Association.

The relations of the members of each Association with the labor unions are further unified by the appointment of a joint commissioner, who is entrusted with all negotiations with union officials. In case of any labor dispute, the member of the Association affected notifies the commissioner, and with his aid tries to adjust the difficulty. If unsuccessful, the executive board is then notified; should its judgment sustain the member and a strike follow, aid is given in the three ways employed by the Defense Association under similar circumstances.

✓ These three highly centralized national organizations of

<sup>1</sup> "Proceedings of Fifth Annual Convention of the National Founders' Association" (MS.), p. 76.

<sup>2</sup> *Ib.*

employers parallel corresponding national organizations of employees, and are apparently sufficiently developed for successful collective bargaining. We have seen how satisfactorily the Defense Association composed of manufacturers engaged in a particular business has made agreements with the labor unions of its trade. The experience in this respect of the other two associations, and that of another association, lacking the same centralization of organization, remain to be considered.

In a conference held in New York City, March 8, 1899, the Founders' Association formulated a national conciliation agreement, by which all differences between the members of the Association and the Iron Molders' Union were to be amicably settled. Although the agreement did not give entire satisfaction, the number of serious differences during the next few years was greatly decreased, and the officers both of the Union and of the Association anticipated that a more detailed agreement would be made in the near future. At the 1903 convention of the Founders' Association, a resolution was passed favorable to nationalizing the local agreements with the Molders' Union, so that in so far as possible, local variations as to shop practices, rates of wages, and trade usages might be avoided. The actual formation of such an agreement proved very difficult. About ninety per cent. of the machinery foundries were union shops, while eighty per cent. of the agricultural machinery and malleable iron foundries were open shops.<sup>1</sup> As the latter were unwilling to be bound by any agreement except one guaranteeing them the greatest freedom, and the former naturally did not object to such an agreement, there gradually evolved from the propositions of the representatives of the Founders' Associations made in the negotiations with the Iron Molders what the founders have called a "standard form of agreement." The members of the Association have been instructed to demand its acceptance by the Iron Molders at every opportunity.<sup>2</sup> As

<sup>1</sup> "Proceedings of the Fifth Annual Convention of National Founders' Association" (MS.), p. 67.

<sup>2</sup> "Proceedings of the Sixth Annual Convention of National Founders' Association" (Detroit, 1902), p. 28.

most of the provisions of this agreement are repugnant to the Union, the two organizations have been for some time on the verge of conflict.

The new policy of the Founders' Association appears to have been influenced to no small extent by the experience of the Metal Trades' Association. Soon after the organization of the Metal Trades' Association in 1899 certain of its members began to agitate the formation of a joint board of conciliation with the Machinists' Union similar to that then in force between the Founders' Association and the Iron Molders' Union. The proposition was favorably received by the Machinists, and a preliminary agreement was signed by the two organizations on March 31, 1900. The joint conference board met for the first time in New York, May 18, 1900. Strikes in several localities were at once declared off, and although doubt was expressed by each side as to the power of the other to control its members, a general agreement was adopted covering all the shops within the jurisdiction of the two organizations. This agreement was so decidedly favorable to the employers that none objected, since all shops that were formerly closed or union shops became by the terms of the agreement open shops. On the other hand, when the nature of the agreement became known among the rank and file of the machinists, it caused serious dissatisfaction among the local unions in well-organized cities.<sup>1</sup> The agreement was, however, faithfully observed during the year, but in the spring of 1901 the Machinists sought in the conference to obtain a more satisfactory agreement. The employers insisted on the former terms, and a general strike occurred. The Association abrogated all agreements and formulated a hostile "declaration of principles" as a guide for its actions in future dealings with the unions. After a bitter contest, the men returned to work, though the stronger local unions obtained local agreements more favorable to them than a strict construction of the "declaration of principles" of the Association would warrant. The presidents of the two organ-

<sup>1</sup> "The National Metal Trades' Association, What It Is" (Cincinnati, 1903), p. 8.

izations have lately expressed themselves as favorable to a new national agreement, but the organizations are still far apart in their views of what constitutes a proper agreement.

Since the abrogation of the national agreement and the inauguration of a militant policy two years ago, the National Association has maintained a so-called "labor bureau," furnishing men to its members whenever additional help is needed, and keeping by card system a complete record of every man in the employ of members. By this system, occasion is removed for employers communicating with the business agents of the various unions when new men are wanted.<sup>1</sup> The Association has in its regular pay a large number of non-union men, or "strike-breakers," who are sent to the shop of any member whose employees have struck.

A national association of employers, characterized in contrast with the foregoing by its loose structure, yet forming agreements with corresponding national unions, is the American Newspaper Publishers' Association. In 1900 this organization was composed of about two hundred publishers, of whom eighty per cent. had individual agreements with labor unions, ten per cent. had open shops, and ten per cent. non-union shops. In that year Mr. Frederick Driscoll, the commissioner of the Association, proposed to the convention of the Typographical Union that the Union appoint a conference committee to meet a like committee of the publishers for the purpose of formulating a general agreement between the two organizations. The suggestion received hearty approval; but when the joint committee met it was found that the two organizations were not on an equality, in that the Union had the power to compel all its members to abide by an agreement, while the Association had no such control over its members. A publisher might openly refuse to be governed by the agreement, or by some quibble evade its provisions, and the Association had no power to coerce him. Accordingly it was decided that agreements covering the rate of wages and the conditions of labor should be made as before by the local unions with the individual publishers. There was formulated and

<sup>1</sup> "The Employment Bureau," issued by National Metal Trades' Association (Cincinnati, 1903), p. 15.

adopted by the two organizations an arbitration agreement under which differences arising under the individual agreements are decided.

Of the four associations described which have entered into national agreements with trade unions, the Defense Association, ✓ made up exclusively of members whose interests are identical, has the most complete and successful agreements. It started with a mere declaration of a policy of conciliation with the Union, and with the necessary machinery for putting this policy into effect. By a careful system of collective bargaining, and through the knowledge gained by close intercourse with the officers of the Union, it has built up a general agreement that covers all the details of the business, and secures peace with its employees. The members of the Publishers' Association are somewhat differently circumstanced, ✓ in that they cannot afford to have their newspaper plants closed by a strike even for one day. Thanks to the Association, the individual member is free from the annoyance and loss of a cessation of business, even if the conditions under which he carries on that business are not as satisfactory as he might desire. The local union may hamper him by irritating restrictions, and he can obtain peace only by submitting every new demand on the part of the local union to arbitration. Such conditions would probably be improved under a national agreement made by a true system of collective bargaining; but it would involve a change in the structure of the Publishers' Association so as to obligate each of its members in the labor contract.

These two associations have thus in different ways attained industrial peace for their members; and although unlike in organization—the one centralized and prepared for contest, the other loose and conciliatory—yet they have this in common that each is confined to a clearly defined industry easily subjected to general rules. The other two organizations, although highly centralized, are however composed of such conflicting interests that only the most general as well as the most liberal agreement would be satisfactory and this would on the other hand be unsatisfactory to the unions, the interests of whose members are identical. If the Metal Trades' Association had

begun with a general conciliation agreement and gradually built up a more comprehensive agreement, the appearance of a satisfactory system of collective bargaining would probably have been much hastened in that industry. Similarly, in the case of the Founders' Association it is likely that separate but organically related agreements for sub-organizations of hollow-ware founders, machinery founders, and stove founders would greatly promote peace in the foundries of the country.

*National Federated Association of Closely Allied Trades.*—During the summer of 1903 the more important national unions in the building trades formulated plans for a strongly centralized federation under the name of the Structural Building Trades Alliance. In consequence of this organization the National Building Trades Employers' Association was formed in Chicago in December of the same year by delegates from forty-two cities, representing a hundred and thirty-six associations,<sup>1</sup> federated locally after the manner of the Chicago and New York Councils. The new association effected no change in this local structure, although provision was made for the organization of the local federations into state federations. Each state federation is entitled to representation in the National by two delegates for every local federation, voting as a unit and polling one vote for every ten members or fraction thereof of the trade associations represented in that local federation. The funds of the National are obtained from initiation fees and a per capita tax upon the membership of the constituent associations.

From the outset the convention resolved to limit membership to general contractors and sub-contractors. It was argued that material men were included in a national association of builders formed in 1887; that experience had shown that when in convention assembled the interests of the material men seemed to differ from the interests of the contractors, and that unity of action would seldom be obtained. Moreover, the material men were more numerous than the

<sup>1</sup> "Proceedings of the Preliminary Meeting of the National Building Trades Employers' Association" (Chicago, 1904), p. 8.

contractors, and they could readily form a national organization of their own.<sup>1</sup>

The subject that most seriously agitated the convention and came very near bringing the whole proceedings to naught was the question of making the open shop the cardinal principle of the federation. In many cities, notably New York, Pittsburgh, and Washington, the closed shop prevailed. The contractors in those cities had entered into agreements with the labor unions continuing for a year or more, and were, therefore, opposed to any action that would commit the federation to the open shop and thus arouse discontent and suspicion among their employees. While they were not opposed to the open shop on principle, they questioned the expediency of such a declaration at that time. On the other hand, some of the cities represented had won the open shop in contests with the unions, and were naturally in favor of an explicit declaration thereon. It was finally decided to endorse the open shop by resolution; and to express in the constitution the objects of the federation in the following words: "The object of this Association shall be to promote and protect the interest of its members; to maintain just and equitable treatment in their relations with each other and with their employees, to encourage the formation of associations of contractors in every community in the country; all in strict conformity with the constitution and laws of the United States."<sup>2</sup>

The convention adopted the principles of the Chicago Contractors' Council, and influenced by the experience of the New York Contractors, recommended that all members of the trade organizations bond themselves in an approved security company to the central organization of their State where one exists, and where none exists to the national organization. This was designed to strengthen the central authority in carrying out a fixed policy, though the convention did not think that conditions had yet become such as to require every state organization to so bond its members. The president of the Structural Building Trades' Alliance urged that the

<sup>1</sup> "Proceedings of the Preliminary Meeting of the National Building Trades Employers' Association" (Chicago, 1904), p. 44.

<sup>2</sup> *Ib.*, pp. 21, 58.

federated employers enter into a national agreement with the Alliance covering all the trades in the respective federations; but the convention decided for the present to let local conditions continue to determine wages and hours of labor. It should be noted, however, that the national trade unions in the building industry have accelerated the tendency of local agreements with the employers to approach uniformity as to wages and hours of labor.

It will be observed that employers' associations in their development have followed the general lines of growth of American labor organizations. Where the local unions became strong and assertive, the local employers organized in self-defense. Where the national union grew powerful and aggressive, the employers in that industry endeavored to present a united opposition. Finally, in order to meet the combined efforts and the centralized power of the national federation of building-trade unions, a national federation of building-trade employers has been organized.

By virtue of his business training, the employer possesses a better organizing ability; yet there is less uniformity of interests among the employers than among the employees, and consequently less coherence. This is especially true of associations composed of members not engaged in the same business. The officers of nearly all the more important associations testify to the difficulty of holding the employers in line in time of crisis. Either under the pressure of maturing bills, or confronting conditions of production different from those of his competitor, or for some real or fancied advantage, the employer endeavors to free himself from control of association and union, or yields to the demands of the union which the association is striving to defeat or to modify. There is almost as much repugnance on the part of the employer to submitting "the management of his business" in its labor relations to the will of a majority in an employers' association, as to submitting to "the dictations of the union."

It is, however, generally recognized that employers' associations are here to stay as a definite part of the present industrial régime, and that sooner or later they will come to the point of forming conciliation and arbitration agreements,

whether local, district, or national, with the corresponding trade unions. This is due less to the reason that any very large proportion of employers as yet favor collective bargaining, but to the fact that they are coming to see the expediency of this method of securing industrial peace. The union may be too well organized to be destroyed; or a steadier production may be assured by cultivating friendly relations with an organized supply of labor; or the cut-throat competition of rivals may be prevented through the equalization of wages and labor conditions.

A perfected method of attaining industrial peace is not to be at once achieved in any business. It must be worked out in each trade separately by slow evolutionary process, facilitated by frequent conferences where each side has ample opportunity to make known its grievances and to hear those of the other side in all their details. Finally, it is strengthened by the employers' associations being sufficiently compact to make the agreements binding upon every member, and by the union's electing and re-electing officers of broad view delegated with sufficient power to carry out a just and conservative policy.

*Local General Associations.*—In addition to the employers' associations already considered, there has recently been called into existence to wage war upon trade unions a large and important class of associations wholly militant in character; and, by reason of their lack of common trade interests and sympathy, so unfitted for collective bargaining as to require separate consideration. The most influential local association of this class is the Employers' Association of Dayton, Ohio. It was formed in June, 1900, with thirty-eight members representing all lines of business,<sup>1</sup> with an organization similar to that originally adopted by the Stove Founders' Defense Association.

The Dayton Association was strictly secret at first and is nominally so now, as "each member is required to subscribe to such form of oath as may be prescribed by the association before being admitted to any of its meetings." The initiation

<sup>1</sup> "Second Annual Report of the President" (Dayton, 1902), p. 7.

fee is ten dollars and the dues are based on the number of men employed, being three cents per man per month. Special assessments may be levied in case of need. There is a standing strike committee of five members empowered to handle and adjust all labor difficulties that the individual employer may be unable to settle. In trying to break a strike, the committee may offer rewards to the men who continue at work, and in addition may compensate the employer for loss of production to the limit of one dollar per day for each man on strike.<sup>1</sup>

The members of the Association give a uniform recommendation to every employee who "honorably quits their service, or is honorably discharged." When employing new men, the member asks for the applicant's card if he has formerly been employed in Dayton, and as most of the manufacturers of the city are members of the Association, this card system has proved to be a check upon the growth of local labor organizations. The Association has been instrumental in organizing a union among the trusted employees of its members called "The Modern Order of Bees." The objects of the union are: "To promote good character and sociability among its members. To so conduct its affairs that both employer and employee will recognize the fact that their interests are identical, and, therefore, that we are not organized to make war upon one another, but for mutual assistance and protection. That we rely on intelligence, right thinking and real value to command just compensation to the employer for the wages he pays and to the employee for the labor he performs." The union is now called the Citizens' Industrial Association of Dayton, Ohio. It will be observed that such an organization is nothing more than a mere social club. Collective bargaining, the prime object of trade unions, is eliminated; the employers, the originators of this union, claim that wages can be justly fixed only by the worth of the individual workman to the employer. Although claiming that the individual workman is at no disadvantage in this bargaining, the secretary states that the Association has brought pressure to bear upon

<sup>1</sup> "Constitution and by-laws" (Dayton, 1903), Article 1, p. 11; Article 10, secs. 3, 6.

several employers who were not treating their employees justly. The president of the Association argues that "in some cases the unions have temporarily beaten the law of supply and demand and raised wages in some localities, but the victory over the law of economics can only be temporary."<sup>1</sup>

As the demands of trade unions are frequently made first upon the employer least able to resist, the Association has endeavored to block this policy by taking into membership employers who were threatened with strikes.<sup>2</sup> It enabled these employers to tide over their labor difficulties, and it has not as yet lost a strike. The treasurer of the Association says: "It has borne the expense of getting strike-breakers; rewarded those who refused to go out; paid the wages of special deputies, and assumed all court costs; but in no case has it been called upon to make good the losses of an employer during a strike. It stands ready to make good such losses; but in no case has the employer accepted money from the Association." The Dayton Association has circulated a number of pamphlets widely, and through the influence of these and the personal efforts of its officers more than one hundred similar organizations have been formed in different cities of this country. The association at Columbus, Ohio, has recently adopted a form of individual agreement with employees. Under its terms the employee contracts for one year at a stipulated wage as an individual, and agrees to present to his employer any grievance that he may have as an individual, and not as a member of a labor union. The workman is not required to give up his union; but he releases the employer from all obligation to treat with him as a union man. Either party violating the contract agrees to pay the other party twenty-five dollars on demand as damages for such violation.

The Chicago Employers' Association came into existence in October, 1902, as a large and complex federation of various trades and businesses. It is modelled upon the Dayton As-

<sup>1</sup> "Second Annual Report of the President" (Dayton, 1902), p. 10; "Constitution and by-laws" (Dayton, n. d.), p. 1; "Third Annual Report of the Secretary" (Dayton, 1903), p. 22.

<sup>2</sup> "Fourth Annual Report of the President" (Dayton, 1904), p. 7.

sociation except that the division into trades is more emphasized, and consists of approximately three thousand members, divided into about fifty distinct trades and businesses, each with its own separate association. Members are pledged to assist one another in all labor troubles and to stand for the principles of the federation which as at first adopted were: (1) the open shop, (2) no sympathetic strikes, (3) no restriction of output, (4) arbitration. As it was claimed that several unions refused to abide by the decisions of arbitrators, the fourth principle was changed to "full enforcement of the laws."

The methods of fighting a union on strike used by the Association are similar to those already described, excepting perhaps that greater efforts are made to get non-union workmen. In several cases recently all the employers of an industry fore stalled a strike by locking out all their employees, and then opened up their shops a few days later with such of their old employees as would come back as individuals. The strength of several of the newer unions was in this way completely broken. Any member, boycotted by the unions, is placed upon a "fair list" and the members of the whole federation give to that firm all the business they can.

In order to obtain definite information as to the increase in the cost of living in 1903, the federation employed two expert statisticians to obtain prices from shops in the sections of Chicago where the workingmen live. It was found that compared with prices in 1898 the cost of living had increased 16.8 per cent. during the five years and that the upward trend of prices had ceased and in the case of some commodities had begun to fall. Allowing for the increase in the standard of life, the federation believed that the allowance of a twenty per cent. increase was an equitable basis on which to adjust wages. Accordingly all demands of labor unions for greater increases were resisted. As a matter of fact, wages in Chicago during that period increased in nearly all lines of business from twenty to fifty per cent. Had the life of the federation extended over the full period covered by the investigation, it is unlikely that it would have been able to maintain its basis for raising wages.

*Local General Association of Employers and other Citizens.*

—Another class of local association that belongs to this discussion because of its formation for the purpose of fighting trade unions is the Citizens' Alliance. It does not restrict membership to employers, but admits citizens in all walks of life. The only qualifications are that "the applicant be not a member of any labor organization which resorts to boycotting, or any form of coercion or unlawful force," and that he be recommended by two members of the Alliance. These organizations are frequently started by employers to secure co-operation of citizens generally, and are considered more effective than associations composed only of employers in meeting the excesses of unionism in particular localities. The membership is representative of all classes of citizens, and the executive committee is able to bring pressure to bear wherever it may be most needed. In some places there are two organizations, an employers' association and the Citizens' Alliance. Many employers are members of both, and they get their trusted employees to join the Alliance.

The Citizens' Alliance of Denver, Colorado, is a good example of this form of organization. It was started April 19, 1903, and was made necessary by the almost complete cessation of business in that city on account of the sympathetic strikes of unions affiliated with the American Labor Union. All the union teamsters of the city as well as the grocery clerks, waiters, cooks, bakers, and others were out on strike. The membership fee was made one dollar, annual dues one dollar, and in one month's time the Alliance had ten thousand members and soon increased to fourteen thousand. An advisory committee of one hundred, appointed from all lines of business, elected an executive committee of seven. To this committee all matters pertaining to strikes, contracts, and the like were delegated. A legal department was organized to advise the committee, and to obtain injunctions against the labor unions. In a circular letter issued May 28, 1903, Mr. J. C. Craig, the president of the Alliance, said: "The Alliance issued union cards to all its members with the result to make it the general topic of conversation, and to enable merchants and employers to accomplish numerous results similar to those

of labor unions by way of mutual effort. The newspapers, which as a rule cater to labor unions, were forced by means of the large advertisers, members of the Alliance, to state our side fairly, thereby influencing public sentiment in that direction." After a bitter contest, the unions were forced to declare off all boycotts and strikes and to grant the employers the right to run open shops.<sup>1</sup>

*National General Associations.*—The increasing effectiveness of the boycott as a mode of warfare, owing to the possibility of its wide extension through the central authority of the Federation of Labor, led in 1903 to the organization of the American Anti-Boycott Association, a secret body composed mainly of manufacturers. For the sake of greater efficiency the members are divided according to industries for each of which an industrial executive committee of three members is appointed. The industrial committees constitute the general executive board, from the members of which the executive officers are elected. The initiation fee is twenty-five dollars, and monthly assessments are levied at the rate of one-tenth of one per cent. of the monthly pay rolls of the members. The constitution of the association provides: "When two hundred and fifty thousand dollars shall have been accumulated from these assessments, they shall be discontinued until the fund has been reduced to one hundred thousand dollars and then resumed."<sup>2</sup>

The purpose of the organization is to oppose by legal proceedings the boycott of trade unions, and to secure statutory enactments against the boycott. The energies of the association have been directed mainly to taking certain typical cases to the courts in order thereby to create legal precedents. The first important case prosecuted was the injunction proceedings of the Kellogg Switchboard and Supply Co., of Chicago, against certain unions that were trying to force the company to unionize their shops. An opinion was obtained from the Appellate Court of Cook County, Illinois, to the effect that closed-shop contracts are opposed to sound public policy, as

<sup>1</sup> "The History of the Strike that Brought the Citizens' Alliance of Denver, Col., into Existence," by President J. C. Craig.

<sup>2</sup> "Constitution" (n. p., n. d.), Article 4, sec. 3, p. 2.

well as to the statutory and common law and the constitution of the State of Illinois.<sup>1</sup>

A suit of much greater importance is now pending in the U. S. District Court of Connecticut. D. E. Loewe & Co., manufacturers of Danbury, conduct an open shop. Their goods do not bear the union label, and the firm is on the boycott list of the United Hatters of North America and of the Federation of Labor. D. E. Loewe & Co., backed by the Anti-Boycott Association, brought suit recently for two hundred and fifty thousand dollars, and attachment is now [January 16, 1905] laid against the goods and estates of two hundred and forty-five officers and members of the United Hatters. The intention of the Association is, if necessary, to carry the case to the U. S. Supreme Court and obtain rulings as to: (1) Whether the members of a voluntary unincorporated association are, on the principle of the law of agency, personally responsible for the acts of its officers and agents. (2) Whether the extension of a boycott by a labor union beyond the borders of a State is a conspiracy in restraint of trade and therefore an illegal act under the Sherman Anti-Trust law.<sup>2</sup> A clear decision of these two points will greatly clear up the legal relations between trade unions and individual employers, or employers' associations.

*National General Association of Employers and Employees.* —Perhaps the most remarkable of the associations organized to oppose trade unions is the Citizens' Industrial Association of America. Its formation is the result of a recent movement inaugurated by the National Association of Manufacturers. This association was originally formed for the purpose of agitating the construction of an Isthmian canal, and its energies were wholly devoted to trade interests until 1903. At the last session of Congress, the Federation of Labor caused to be introduced into Congress two bills: one to limit the work-day to eight hours on all contract work done for the government, and the other to limit the power of the courts in granting injunctions against labor unions. Largely through the efforts

<sup>1</sup> "The Closed Shop," published by H. A. Felton & Co., Chicago.

<sup>2</sup> *Bulletin of the National Metal Trades' Association*, Vol. II., p. 849.

of the president and the members of the Manufacturers' Association, these measures were finally defeated.

About the same time, Mr. Marshall, the secretary of the Dayton Employers' Association, was corresponding with the secretaries of the various employers' associations with a view to forming a federation of all such organizations. Mr. Parry wrote to him in regard thereto, and promised to interest the Manufacturers' Association in the movement. It was arranged that Mr. Parry, Mr. Kirby, the president of the Dayton Association, and several others should read papers upon the labor problem at the convention of the Association in April, and endeavor to have it undertake the formation of the federation.<sup>1</sup> This plan was carried out with the result that a committee was appointed to revise the constitution of the Association, so as to make it the nucleus of the new federation.<sup>2</sup> When the draft of the revised constitution was submitted after the convention to the board of trustees of the Association, that body rejected it, as they were unwilling that the Manufacturers' Association should be converted into an association to fight labor organizations.<sup>3</sup> It was then determined by the committee to call a convention of representatives from all employers' associations to meet in Chicago, October 29, 1903. More than one hundred and fifty organizations—local, state, and national—sent delegates.<sup>4</sup> A difference of opinion at once became evident as to whether the constituent organizations should be of the employers' association type, or the citizens' alliance form. It was thought best to admit both, and to extend the form that should prove the more effective to new organizations formed by the organizers of the Association. The name selected was the Citizens' Industrial Association of America.

Mr. Parry was elected president, and an executive com-

<sup>1</sup> "Proceedings of the Ninth Annual Convention of the National Association of Manufacturers" (New York City, 1904).

<sup>2</sup> "Proceedings of the Eighth Convention" (Indianapolis, 1903), pp. 130, 180, 268.

<sup>3</sup> "Proceedings of the Ninth Convention" (New York City, 1904), p. 201.

<sup>4</sup> "Bulletin No. 1 of the Citizens' Industrial Association of America" (Indianapolis, 1903).

mittee of fifteen members was constituted the governing body with full authority to put into effect the laws and decisions of the Association, and by a two-thirds vote to make all by-laws for the government of the Association and to amend the same. A proposal that the committee should be appointed by the president, was opposed by representatives of the National Metal Trades Association and several other organizations, and the committee was made elective by the convention.<sup>1</sup> All associations having the labor question to deal with were invited to join the federation, and by the constitution the autonomy of the constituent bodies was guaranteed.

The initiation fees were made one hundred dollars for national trade associations, one hundred dollars for state organizations, fifty dollars for local general organizations, and twenty-five dollars for local trade associations. All constituent organizations pay dues at the rate of fifty cents per annum for each employing member, but in no case less than ten dollars nor more than two hundred dollars per annum. No dues are thus required from the employee-member or non-employing members of the citizens' alliance.

At a meeting of the executive council December 3, 1903, the following were adopted as the principles of the federation: (1) No dealings with walking delegates. (2) The open shop. (3) No sympathetic strikes. (4) No restriction in the number of apprentices. (5) No restriction of output. (6) The full enforcement of the law. A resolution instructing all members of affiliated employers' associations not to place the union label on any of their manufactured products was passed.<sup>2</sup>

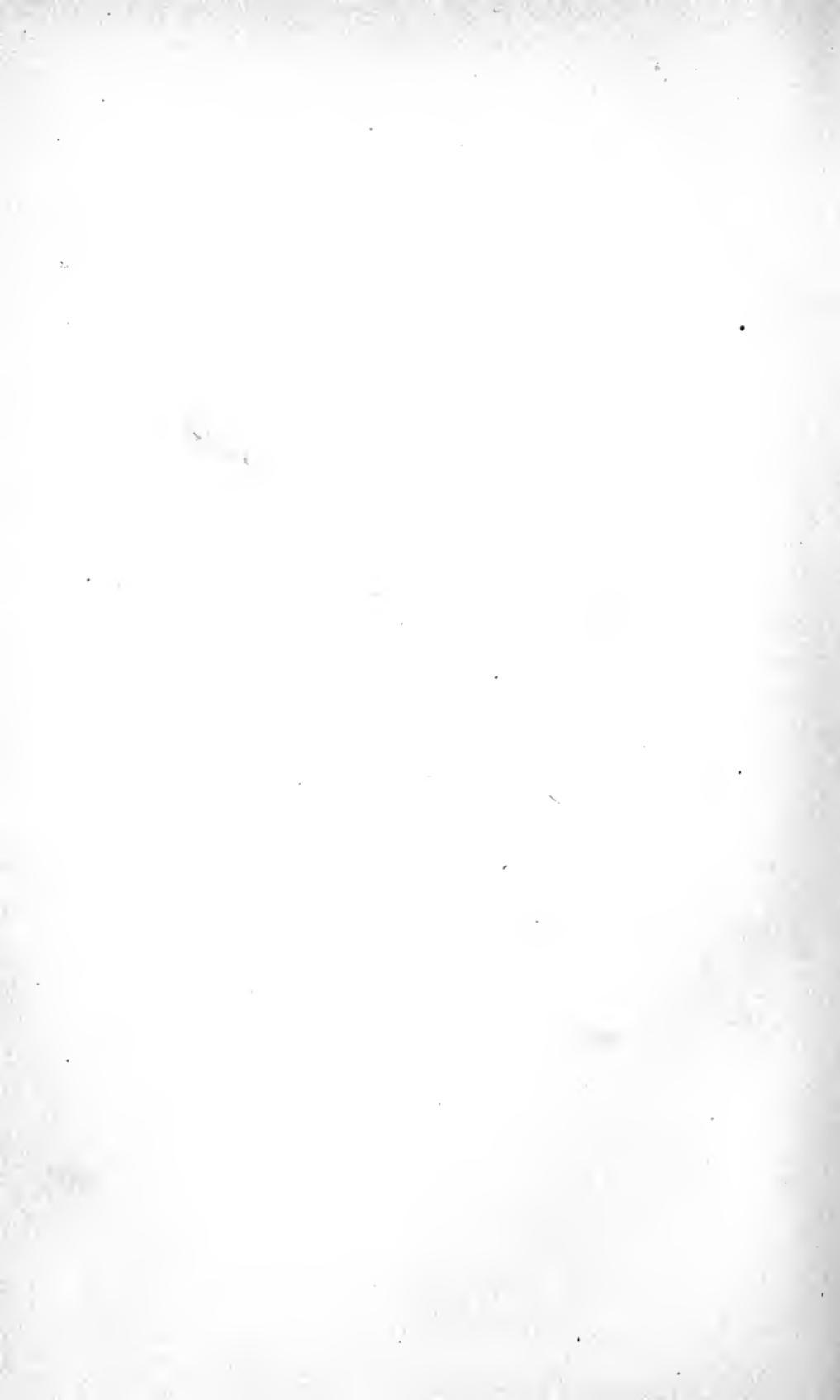
The field of operations of the national organization has been limited to agitation and organization. The revenue of the Association is used to pay the expenses of organizers, to publish pamphlets, and to carry on such movements as that waged against the Anti-Boycott and the Eight-Hour Bills. The local association is expected to see that the non-union workman is protected, that pressure is brought to bear upon the

<sup>1</sup> *Bulletin of the National Metal Trades' Association*, Vol. III., p. 271.

<sup>2</sup> "Proceedings of Indianapolis Convention" (Indianapolis, 1904), p. 58.

local newspapers through its advertising members, that municipal officials do not discriminate between different classes of workmen, and that the police afford protection in times of strike.

The general associations, like the trade associations, in establishing their territorial divisions have followed the precedents set by the unions. A local association has usually been formed when the local unions became menacing; a local citizens' alliance when the menaces became actual disorder. To destroy legally the boycott of national unions, a national general association has been organized. A national federation of employers' associations has been effected in order to thwart the political power of the National Federation of Labor. The feature that distinguishes the general association from the trade association is its intense opposition to trade unions and the lack of homogeneous trade interests. Even if they were so inclined, the interests of the different trades represented in the same association are too various to permit of the unity of action necessary for business negotiations with the unions. Nothing less than the entire destruction of the power of the unions, whether the exercise of that power be legitimate or not, can fulfill the purpose of these militant associations. They refuse to recognize the generally conceded right of unions to exist in the present industrial régime, and deny that unions have a legitimate function. On the other hand, where the exercise of the function of collective bargaining by trade unions is facilitated by parallel trade associations, a wholesome restraint upon the arbitrary exercise of power by the union is provided. Where these trade associations are lacking, or where they are decentralized in structure, excesses of unionism are possible, and general associations likely to arise. It appears, however, that these militant associations are ephemeral in character, and likely to pass away with the occasion that called them into being; the relations between the trade association of employers and the union of employees, on the contrary, are stable and reducible to a business basis.



## VIII

# TRADE-UNION AGREEMENTS IN THE IRON MOLDERS' UNION

BY

F. W. HILBERT





## VIII

### TRADE-UNION AGREEMENTS IN THE IRON MOLDERS' UNION

No traces of any labor union in the iron foundry trade in the United States are discoverable before 1837. The industrial depression of that year resulted in a reduction of iron molders' wages, and the molders of several Philadelphia foundries formed an ineffective and short-lived society. In 1847 the molders in the stove foundries of Cincinnati were threatened with a reduction in wages, and a union was organized to resist the attempt. But being successful in its immediate object, no effort was made to continue the existence of the organization.

The first permanent union of iron molders was formed in Philadelphia about 1855. It grew in numbers and in financial strength until the Civil War, and was at that time one of the best conducted and most powerful local trade unions in the country. It prevented the use in Philadelphia of the individual contract, by which the molder bound himself to work for the season at a stipulated wage, a portion of which, usually ten per cent., was retained by the employer until the end of the year in order to insure compliance with the contract. The individual contract appears to have been in general use in Troy, Albany, and other foundry centres up to the time of the War. In some places it continued much longer and is occasionally met with even at the present time.

In 1859, through the efforts of the Philadelphia organization, representatives from Troy, Albany, Buffalo, Rochester, St. Louis, and Cincinnati, where flourishing local unions were in existence, met in Philadelphia and formed the International Iron Molders' Union. Under its original constitution the power of the president and executive committee was limited to giving advisory counsel to local unions when on strike and to requesting assistance from other locals not in-

volved.<sup>1</sup> No real restraint was thus imposed upon local unions, and the financial assistance provided was of a kind to encourage rather than to prevent strikes. At the second convention in 1860 the president of the International Union called attention to the numerous strikes of the previous year, and recommended the passage of an act to prevent them. No action was taken, however, further than to urge local unions to discountenance all strikes until every other remedy had been tried and had failed.<sup>2</sup>

The Civil War exerted a disintegrating influence upon the molders' unions; yet almost before its close, the problem of central control over strikes again emerged. President Sylvis in commenting in the *Journal* for February, 1864 (p. 12), upon the wage advances granted molders in various localities said the greatest difficulty experienced by the International Union was the desire of the local unions to accomplish too much in too short a time. Again in the convention of that year, President Sylvis said that he had found the local unions disposed to act independently and upon their own responsibility, but that the men were beginning to look upon the international organization as the source from which must flow not only all aid and assistance but all authority upon all questions involving the general interests of the organization. In 1865, the constitution of the International Union was amended so as to require local unions to adopt a certain mode of procedure before entering upon a strike. A year later the president reported to the seventh convention that the new regulation tended to prevent hasty strikes, because it allowed time for sober second thought and the return of reason where passion used to rule.

The growing strength of the molders' unions and the expectation of a demand for higher wages led to a combination of employing foundrymen, organized on March 14, 1866, and speedily extended to all parts of this country and Canada. While the foundrymen were yet in session, President Sylvis of the Iron Molders addressed them by letter, expressing a

<sup>1</sup> "Proceedings of the First Convention" (Albany, 1860), p. 12.

<sup>2</sup> "Proceedings of the Second Convention" (New York, 1861), pp. 13, 39.

desire to meet a committee from their body for an exchange of views. He congratulated the assembly, and said that organization on both sides would result in such a mutual understanding as would prevent the serious differences so frequently existing between them. The foundrymen ignored the communication and posted in all shops under their control a notice that the International Molders' Union would no longer be recognized, and that conditions as formulated by the employer must thereafter prevail. This brought about a general strike, in which ten unions and about 1600 molders were involved. Some of the foundrymen, however, in a few days withdrew the "obnoxious notice" and these desertions soon resulted in the disintegration of the employers' combination.<sup>1</sup>

But the control of strikes remained a troublesome problem to the Union and its officers. President Sylvis reported to the convention of 1868 that, from all parts of the organization, the cry kept coming that something must be done. He asserted that the great body of the membership had come to see and understand that the exhausting strikes of the previous two and a half years were wholly unnecessary, and could have been avoided by the exercise of a reasonable amount of caution and common sense. Thus urged, the convention enacted rigorous strike legislation. Thenceforth each strike required the sanction of two-thirds of all the local unions in the International, and every local voting in favor of sanctioning a strike, was required to impose a special tax upon itself to sustain the strike.<sup>2</sup>

These restrictions went to the other extreme. It was found difficult to obtain a full vote upon any strike circular; many locals refused or neglected to vote, and the provisions requiring a two-thirds affirmative vote of all unions to authorize a strike practically put an end to legal strikes. The secretary of the International Union in his report to the following convention of 1870 said the law as it then existed was virtually a law against strikes, and placed every member of every local

<sup>1</sup> *Journal*, May, 1866, p. 64; April, 1889, p. 1; "Proceedings of the Eighth Convention" (Philadelphia, 1867), p. 5.

<sup>2</sup> "Proceedings of the Ninth Convention" (Philadelphia, 1868), pp. 21, 22, 67.

union in such a position that no matter how grievous the wrong, or how much he might desire to resist it, he could not do so because the chances were two to one against the petition being sustained by the International Union.

The convention of 1870 amended the existing law so as to place the power of sanctioning strikes in the hands of the president and executive board of the International Union. As this change was made in a time of commercial prosperity, and the local unions were growing in number, applications to strike poured into International headquarters. The officers in order to reduce the number of applications undertook to emphasize the importance of arbitration in the settlement of disputes. The convention of 1872, in accordance with this policy, again amended its strike laws by providing that no strike, growing out of a dispute over wages or prices, should be sanctioned unless the matter in issue had first been submitted to arbitration. It further provided that the arbitration board should consist of five members, two selected by the Union, who must be molders experienced in the class of work in question; two by the employer, and the fifth to be selected by the other four. Decisions were to be strictly binding upon both parties, and in case no decision was arrived at in five days, the arbitration should end, and the grievance be submitted to the national organization. Submission to arbitration was compulsory upon the local union only in case the employer submitted to arbitration before the strike was sanctioned by the national officers, but no provision was made that the men must remain at work pending arbitration proceedings.<sup>1</sup>

By 1876 experience had indicated that employers were opposed to arbitration in the disputes continually arising, and that the laws upon the subject were in consequence practically useless. A series of resolutions was adopted by the International convention of that year, copies of which were sent to individual employers, asking if they were favorable to arbitration, and would agree to submit all questions of prices or wages to such a board. The communication appears to have met with no response; for at the next convention, two

<sup>1</sup> *Journal*, July, 1872, p. 3; September, 1889, p. 5.

years later, all arbitration laws were abolished.<sup>1</sup> Despite the increased power given to the executive officers in disputes, the locals occasionally struck without any sanction from the International officials. The president said to the 1876 convention : "With all the experience of the past, with all the teaching of the present, and in defiance of the expressed will of the organization, strikes are entered into without the sanction of the I. M. U. of N. A. and the results are disastrous." He cited the cases of two unions which had been destroyed by entering upon strikes without consulting the executive board or issuing a bill of grievance.

The first written agreement between employers and employees in the iron foundry trade, of which any record is found, was made in Cincinnati in 1874. It was drawn up by the founders and offered to the officers of the local iron molders' union, who accepted and signed it in behalf of the union. It was regarded by the founders generally as an unwise innovation; for any changes in the market might leave the employers thus obligated at a disadvantage with respect to their competitors. The iron molders too were inclined to look upon it with suspicion, as they thus gave up the privilege of striking at any strategic moment. The president of the International Union, however, expressed himself as not opposed to the device, and added that such a contract was an acknowledgment on the part of employers that the men had a right to organize, a right always denied theretofore; and further that such a contract insured not only peace for one year, but also justice to both parties.<sup>2</sup> But notwithstanding this endorsement, the use of the written agreement as a method of promoting industrial peace in the foundry industry developed slowly, as no record of another such written agreement is found until October 22, 1879, when a second Cincinnati establishment (W. C. David & Co.) entered into a contract with their molders for six months.<sup>3</sup>

As stated above, the founders were organized locally in

<sup>1</sup> "Proceedings of the Thirteenth Convention" (Cincinnati, 1876), p. 8; *Journal*, November, 1889, p. 7; January, 1890, p. 5.

<sup>2</sup> "Proceedings of the Twelfth Convention" (Cincinnati, 1874), p. 27.

<sup>3</sup> *Journal*, October, 1879, p. 11.

some places, but no permanent general association existed until the formation of the National Stove Manufacturers' Association in 1872. It was organized primarily for the purposes of regulating prices, introducing new methods, and diffusing information relating to the trade. For ten years it took no action in regard to labor questions except to denounce the Iron Molders' Union and its methods. At a convention of the Association held in 1882, an aggressive note was sounded by a prominent member: "Let us now contemplate our position as stove manufacturers in connection with the Molders' Union. It is probably one of the strongest trades unions in existence in this country; it is thoroughly organized, its systems, its lodges, and its effects are far-reaching and pervade every community where the trade of iron molding is practiced. It is true that in some sections its powers lie dormant, in others partially aroused, while in some localities it governs the manufacturer with its one-sided cast-iron rules from which there is no appeal except through a bitter struggle for the supremacy. How can we in some measure resist the evil results of this hydra-headed power, which threatens the best interest of both employer and employee?"<sup>1</sup> He appealed to the members to lay aside all local interests and act as a body in opposition to the International Molders' Union. Although a large majority of the members were opposed to the Union, they were unwilling to entrust any part of their business to a committee of the Association, and accordingly no action was taken. In 1883 the subject again came up; and having discussed it for many hours in all its aspects, the Association reached the conclusion that no action could be taken by the body, but that each employer must be left to determine his relations with his labor force in the way best calculated to further his own interests.<sup>2</sup>

Conditions during the next few years appeared to the manufacturers to become worse, as the Iron Molders' Union increased in numbers, and dictated conditions of employment more and more irritating to a larger number of founders. Finally, in the fall of 1885, a few of the most determined mem-

<sup>1</sup> *Journal*, November, 1882, p. 1; February, 1884, p. 14.

<sup>2</sup> *Ib.*, February, 1883, p. 10.

bers of the Stove Manufacturers' Association resolved to take a definite stand in opposition to the Iron Molders' Union. Inviting fellow manufacturers to join them, they organized the Stove Founders' National Defense Association in order, as set forth in a secret circular, "to rid themselves of the tyranny of the Iron Molders' Union, and to run their several works unhampered by its restrictive influences." The proposed constitution was submitted to the Stove Manufacturers' Association the following year, and received its endorsement; but not more than one-half of the members of the parent organization joined the Defense Association. The country was divided into four districts, and in each the settlement of labor disputes was placed in the hands of an executive committee, the members of which were required to act promptly, decisively, and unitedly in cases of labor troubles. The executive board was also charged with the duty of equalizing the prices paid for work in the several foundries in their respective districts, each district having its own separate and distinct scale.

The two organizations did not come immediately into conflict until 1887. The president of the Iron Molders' Union, in speaking of the Defense Association at the convention of 1885, said that he was glad to see foundrymen undertake the equalization of prices, as up to that time the molders had performed all that duty for them. In March, 1887, the molders of Bridge, Beach & Co., St. Louis, made a demand for fifteen per cent. increase in prices, and being refused, went on strike. According to their pre-arranged plan, the Defense Association sent the patterns of the firm to other members of the Association, and as in every case the molders refused to work on them, the strike spread until five thousand molders in fifteen cities were involved. The executive board of the Iron Molders tried to stop the further spread of the strike, and to secure support for those already idle, by ordering all shops in New York, New Jersey, Pennsylvania, and Maryland to work on the patterns if they should be sent to them. The Defense Association met this move by announcing that the shops in the States mentioned would close indefinitely. This state of affairs continued until July, when the Defense Association

called in the patterns, and the strike was confined to St. Louis. The result was thus in the nature of a drawn fight. The Union had not been forced to call off the St. Louis strike, and had shown its strength and discipline. On the other hand, the great outlay made by the Defense Association during the strike and lockout, and the readiness with which its members obeyed the orders of its executive committee, revealed the effectiveness of that organization.<sup>1</sup>

Commenting upon the St. Louis struggle, the president of the Iron Molders wrote in the *Journal* for June, 1887 (p. 6) : "A decided impression has been made on both parties, of the stability of each opposing organization. But, gentlemen, let us see if we can't act in a more commendable manner in settling our difficulties, and not resort to the destructive methods which are so injurious to both parties." The president of the Defense Association took a similar view of the matter, and recommended that the Defense Association appoint a committee to meet a similar committee from the Molders. But a number of conservative members in the Defense Association opposed the recognition of the Iron Molders' Union in any way, and their influence prevented any closer relations at the time.

The officers of the two organizations came in personal contact frequently during the next four years, in their endeavors to settle difficulties in various localities between members of their respective bodies; but the first formal agreement between them was not made until August, 1890. The stove molders of Pittsburg had served notice on all the stove manufacturers of that city, of a demand for fifteen per cent. increase in wages. Secretary Hogan of the Defense Association went to Pittsburg, and finding that the prices paid there for molding were below the general average, he requested a meeting of the ten firms who were affected by the demand. He explained the situation to the manufacturers, and informed them that from his knowledge of the ruling average prices paid in localities where all classes of goods were made,

<sup>1</sup> "Proceedings of the Eighteenth Convention" (Cincinnati, n. d.), p. 42; *Journal*, April, 1887, pp. 6, 7; February, 1888, p. 6; November, 1890, p. 6; April, 1896, p. 13.

they were paying about ten per cent. below the general average. The matter was discussed by all parties present, and it was agreed that an effort should be made to compromise on the basis of ten per cent. advance in wages. A committee then went into conference with the molders, and this compromise was accepted. What had thus threatened to be a serious and prolonged conflict came to an end after a strike lasting nine days, and both manufacturers and molders expressed satisfaction with the settlement.<sup>1</sup>

With this experience fresh in mind, President Fox of the Molders' Union addressed a proposal to the Defense Association on December 1, 1890, for a general agreement between the two organizations. In submitting the letter to the members of the executive committee of the Defense Association, the secretary of that organization wrote, "The letter should receive respectful consideration. Mr. Cribben [president of the Defense Association] thinks as a matter of courtesy we should appoint a Committee to meet them, and learn what plan of action they wish to pursue, and possibly something may result that will be to our mutual benefit and prevent the causes that lead to strikes."<sup>2</sup> The proposal was accepted, and committees from these bodies met in joint conference in Chicago on March 25, 1891.

The problem that met the conferees at the outset was to find some equitable mode for the settlement of differences. Neither side especially favored arbitration by means of a committee composed of an odd number of members. Many disputes had been arbitrated since the organization of the Iron Molders' Union, but in very few cases did arbitration give satisfaction; and that method, it was argued, was not likely to succeed on a general plan, for the following reasons: (1) Neither party was inclined to concede anything in a conference, as each would expect to win through the odd man, who would generally be disinterested, but without intimate knowledge of the business; (2) it would be difficult to secure

<sup>1</sup> "Records of the Stove Founders' National Defense Association" (MS.), 1, 41.

<sup>2</sup> *Ib.*, 1, 46.

the services of a man acceptable to both parties, because few such men would be willing to serve, even when agreed upon; (3) issues would multiply, and extreme, unjust, and even ridiculous demands would be made, because of a chance to gain through the odd man, while no possible loss could be suffered. The foundrymen further added that the employers could not expect to stand an even chance with the employees in arbitration, because of the fact that public sympathy is always with the workmen.

The method of arbitration, as commonly understood, being eliminated, it was agreed to try the method of conciliation within the trade. This involved bringing the opposing interests together for the purpose of argument and concession. What could not be agreed upon, would remain unsettled until one or the other should see fit to concede. As their mutual interests depended upon the avoidance of deadlocks, trade differences were recognized as subjects for business negotiation conducted by business methods.<sup>1</sup> Accordingly it was deemed wise to begin with a simple statement of general principles, and to provide for their practical application to actual trade problems. It was recognized that at that time no general wage rate or piece prices could be adopted, and that no agreements on matters affecting shop management and shop practices could be framed. It was left to time and the educational effect of annual contact and conference, to effect a common understanding on these subjects. The text of the first agreement was as follows:

Whereas, there has heretofore existed a sentiment that the members of the Stove Founders' National Defense Association and the members of the Iron Molders' Union of North America were necessarily enemies, and in consequence a mutual dislike and distrust of each other and of their respective organizations has arisen, provoking and stimulating strife and ill-will, resulting in severe pecuniary loss to both parties. Now, this conference is held for the purpose of cultivating a more intimate knowledge of each other, and of their methods, aims and objects, believing that thereby regard and respect may be engendered, and such agreements reached as will dis-

<sup>1</sup> *Journal*, March, 1891, p. 7; October, 1899, p. 524; July, 1901, p. 398.

pel all inimical sentiments, prevent further strife and promote the material and moral interests of all parties concerned.

Clause 1. Resolved, That this meeting adopt the principle of arbitration in the settlement of any dispute between the members of the I. M. U. of N. A. and the members of the S. F. N. D. A.

Clause 2. That a conference committee be formed consisting of six members, three of whom shall be stove molders appointed by the Iron Molders' Union of North America, and three persons appointed by the S. F. N. D. A., all to hold office from May 1 to April 30 of each year.

Clause 3. Whenever there is a dispute between a member of the S. F. N. D. A. and the molders in his employ (when a majority of the latter are members of the I. M. U.) and it cannot be settled amicably between them, it shall be referred to the presidents of the two associations before named, who shall themselves, or by delegates, give it due consideration. If they cannot decide it satisfactorily to themselves they may, by mutual agreement, summon the conference committee, to whom the dispute shall be referred, and whose decision by a majority vote shall be final, and binding upon each party for the term of twelve months.

Pending adjudication by the presidents and conference committee, neither party to dispute shall discontinue operations, but shall proceed with business in the ordinary manner. In case of a vacancy in the committee of conference, it shall be filled by the association originally nominating. No vote shall be taken except by a full committee, or by an even number of each party.<sup>1</sup>

The conference committee provided by Clause 2 of the above agreement has met every year since 1891. Minor disputes have invariably been settled by the officers of the two organizations, and only questions of vital importance, such as those concerning wages and shop regulations, have been referred to the committee. The agreement has in this way been gradually enlarged, and made more detailed in its operation. The subjects submitted for discussion are introduced by formal resolution. Generally each member states his views, and endeavors to substantiate them by arguments. If the vote, then taken, results in a tie, some member introduces another resolution, likely to meet some or all of the objections of the other side. Whenever the subject under discussion proves

<sup>1</sup> "Records of Stove Founders' National Defense Association" (MS.), 1, 47.

very difficult or troublesome, it is referred to a special sub-committee of four, to be thoroughly threshed out. If this committee agrees upon a resolution, it is generally carried by unanimous vote in the full committee, although occasionally amendments are made. A satisfactory conclusion having thus been obtained, it is added to the agreement in the form of a new clause, unless the constitution of one of the organizations be involved. In that case the constitution in question must be amended before the resolution becomes a part of the agreement. Even where no agreement is reached, the views of both parties are likely to be considerably modified by the discussion; and in reporting these modified views to their respective organizations, there is much opportunity for educational influence that may produce results thereafter.

This general agreement has virtually removed the need for local agreements between the Iron Molders and the members of the Defense Association. Wherever a local agreement is formed, it includes the provisions of the general agreement, and such additional clauses as may be mutually desired. In the union shops of stove manufacturers outside of the Association, local agreements more or less similar to the foregoing have become the rule.

✓ Founders engaged in manufacturing machine castings have long had a national trade association, but have never as a body dealt with the Iron Molders' Union. The success attained in applying the principle of conciliation to disputes arising in the stove trade, led, in 1898, to the formation of the National Founders' Association, modelled closely upon the lines of the Stove Founders' Defense Association. Soon after its organization President Fox, of the Iron Molders, took the initiative in bringing the two organizations together, by emphasizing the material advantage accruing to the Defense Association and to the Iron Molders' Union from the yearly conferences.<sup>1</sup> The proposition was received with immediate favor by the Founders' Association, and a committee was appointed to meet a like committee of the molders. The conference was held in New York City on March 8, 1899, and

<sup>1</sup> *Journal*, April, 1899, p. 157.

adopted what has since become known as the "New York Agreement." Influenced by the example of the first conference between the Iron Molders and the Defense Association, this conference of 1899 went no further than to recite the faith of each party in the principles of conciliation, and to provide the necessary machinery to give it practical effect. The text of the agreement is as follows:

Whereas, the past experience of the members of the National Founders' Association and the Iron Molders' Union of North America, justifies them in the opinion that any arrangement entered into that will conduce to the greater harmony of their relations as employers and employees, will be to their mutual advantage; therefore, be it

Resolved, That this Committee of Conference endorse the principle of arbitration in the settlement of trade disputes, and recommend the same for adoption by the members of the National Founders' Association and the Iron Molders' Union of North America, on the following lines:

That in the event of dispute arising between members of the respective organizations, reasonable effort shall be made by the parties directly at interest to effect a satisfactory adjustment of the difficulty, failing to do which, either party shall have the right to ask its reference to a Committee of Arbitration, which shall consist of the Presidents of the National Founders' Association and the Iron Molders' Union of North America, and two other representatives from each association, appointed by the respective Presidents.

The finding of this Committee of Arbitration, by a majority vote, shall be considered final in so far as the future action of the respective organizations is concerned.

Pending adjudication by the Committee of Arbitration, there shall be no cessation of work at the instance of either party to the dispute.

The Committee of Arbitration shall meet within two weeks after reference of the dispute to them.

At the time of the adoption of this conciliation agreement, a few agreements with individual foundrymen were in force, and thereafter the number of them increased rapidly. These agreements, made locally with the members of the Association, included the above provisions, and such others as the parties involved agreed upon, ordinarily with the stipulation that such local provisions as conflicted with any additions made to the general agreement by the national bodies, should thereby be void. Local agreements with non-members con-

tinued as before, though largely influenced by the new impetus given to conciliation.

There has been less progress in harmonizing differences over minor technical details in the Founders' Association than in the Defense Association. The cause is obvious. In the Defense Association the members are engaged in the manufacture of the same kind of goods; they have much in common in their business methods and requirements, and their relations with labor can more easily be governed by general rules. In the Founders' Association, on the other hand, the employers are engaged in the manufacture of everything from immense flywheels to tea kettles. Their lines of business are so dissimilar that in determining their relations to labor, it has been found extremely difficult to formulate a general plan satisfactory to all. Another important difference is that the Defense Association is composed mainly of the large stove foundries, while the Founders' Association embraces many small foundries, and includes some stove foundries whose owners are unable, or unwilling, to enter the former Association. The small manufacturer or contractor, the labor leaders claim, is the last to concede the demands of the Union. For these reasons there have been two distinct elements in the membership of the Founders' Association—one desiring closer relations with the Union, for the sake of peace and harmony, and the other desiring to use the immense power of the Association to check, circumvent, or crush the power of the Union. The latter element has been held in restraint by the influence of the more conservative members, yet the policy of the Association has become more or less a combination of these two views.<sup>1</sup>

For more than a year all difficulties arising between the Iron Molders and members of the Founders' Association were amicably settled. The first rupture occurred in the autumn of 1900. Demands had been made for increased wages in the foundry centres—Chicago, Cincinnati, St. Louis, and Cleveland—and had been referred in the usual manner to the

<sup>1</sup> "Proceedings of the Conference between the I. M. U. of N. A. and the N. F. A.," Detroit, 1902 (MS.), pp. 29, 30, 54; "Proceedings of the Seventh Annual Convention of the N. F. A." (MS.), p. 5.

conference board, which was unable to agree. After all peaceful means provided had been exhausted in attempting to reach a settlement, the dispute was left to the decision of conflict. The strength of the two organizations met in Cleveland in a strike of six hundred molders, including all the local foundries belonging to the Founders' Association. After a bitter contest of six weeks, which cost the Association alone about \$125,000, the dispute was referred to a special committee, and an agreement reached whereby the molders secured an increase in pay and the discharge of the non-union men employed during the strike. The founders on their part secured a differential in the wage rate between the bench and the floor molders, and some concessions in regard to working conditions in the foundries.

Three members of the Association in Cleveland refused to be obligated by the agreement, and continued operations with their non-union molders. The president of the Association stated that the constitution of the organization did not give the power to compel these members to abide by the agreement.<sup>1</sup> There was a threat of abrogating the New York agreement, but the conference board at its next regular meeting adopted the following resolution:

Resolved, That it is the earnest opinion of this joint committee composed of representatives of the National Founders' Association and the Iron Molders' Union of North America, that agreement upon the essential points of difference can be secured only by the slow evolutionary process begotten of friendly intercourse, and the more intelligent understanding of mutual interests, which time, and the influence of education, alone can bring. And be it further

Resolved, That we hereby reaffirm our adherence to the New York agreement, the beneficent provisions of which we will continue to invoke until, by joint agreement, we are enabled to reach a more defined code of conciliation and arbitration.

In the various conferences of the past three years, the Founders' Association has submitted propositions in the form of resolutions, looking to the elimination of all union shop restrictions, and covering all relations between the founder and

<sup>1</sup> "Proceedings of the Second Semi-Annual Convention of the N. F. A." (MS.), p. 16.

the molder. They have thus formulated what they term a "standard form of agreement," and have persistently tried in the conferences to have its provisions accepted by the Iron Molders. The latter, while willing to form an agreement as to wages and hours, claim that other provisions of the so-called standard agreement would tend to weaken and render ineffectual their organization.

Owing to the general lull in industry, and the falling off in the demand for molders, the Association deems the present [September 1, 1904] an opportune time to impose its conditions upon the molders. At a meeting of founders, held in April 22, 1904, in New York City, the president of the Association said that it was then the purpose of the Association to install in the foundries of its members those conditions heretofore sought through the medium of an agreement, and the Association had, therefore, outlined and published its policy, with the intention of recommending to members the plan of operating without agreements, unless one containing the equitable provisions proposed could be secured. Up to the present time the agreements in eight cities (Indianapolis, Worcester, Mass., St. Louis, Minneapolis, St. Paul, Pittsburg, Coxsackie, and Montreal) have expired, and when conferences were called to renew them under the New York agreement, the "representatives of the Union were given to understand that if they were not ready to accept the conditions of the agreement offered by the founders, there would be no agreement."<sup>1</sup> This the molders were unwilling to accept, and in these cities no agreements now exist. The local agreements in Cincinnati and vicinity expired in September, 1904. The Founders' Association met in that city in annual convention on November 16-17, 1904. It took measures to increase its corps of molders and core-makers used as strike-breakers, and then practically declared war by abrogating the New York agreement, and adopting the following resolution: "The National Founders' Association, having exhausted every effort

<sup>1</sup> *The Review* (the monthly circular of the National Founders' Association), May, 1904, pp. 3, 4; July, 1904, p. 3.

during the period of its existence to formulate a uniform agreement with the molders employed in the foundries embraced in its membership, which foundries are accustomed to make agreements with the molders, hereby makes formal announcement to its members, of a policy which they are now requested to pursue in the conduct of their foundries, said policy being intended to put in practice equitable conditions, the principal features of which are contained in the Standard Agreement."

The several agreements deal in detail with the questions of (a) wages, (b) length of the labor day, (c) open shop, (d) apprenticeship, (e) molding machines, (f) limitation of output, and (g) union label. For the sake of clearness, these several provisions will be considered in the foregoing sequence.

*Wages.*—The most important provisions relate naturally to wages. During the early existence of the Iron Molders' Union, piece-work was the rule in stove molding only; but as the work of the machinery foundries increased, and a large number of the same piece were molded, piece-work became more common. There was great diversity, however, in the prices paid for the same or similar pieces in different localities, as well as little uniformity in wages paid by the day.

As early as 1863 a committee was appointed by the International Union to gather statistics on wages, and in 1866 the unions in Troy and Cincinnati issued price lists giving the prices paid in those cities for stove and hollow-ware molding. The president of the International Union recommended that the example be followed in other cities; but apparently without result, as in 1880 he again complained that want of thorough knowledge of prices in the several localities was the main trouble in maintaining wages. Employers claimed to know such prices, and the molders were unable to meet them with indisputable facts. The president urged that "details be studied, guesswork abolished, and absolute certainty on any and every point in the trade connected with wages and prices should take the place of their usual haphazard way of doing business."<sup>1</sup>

<sup>1</sup> *Journal*, November, 1866, p. 240; *Ib.*, June, 1880, p. 2.

It was not, however, until the Defense Association was formed, that uniformity in piece-work pay was introduced to any considerable degree in the stove trade. By the 1892 conference, prices were practically uniform. Those then prevailing became the basis for setting prices of new work, and all advances in wages since that time have been based on those prices. Piece prices in the stove trade have not been cut down in the manner complained of by workmen in other trades.<sup>1</sup> The Defense Association conceded that where prices of work were fixed according to well-established precedents and rules of conference agreements, they should remain unchanged. Improved methods have, however, in some cases reduced these prices, and in the 1892 conference a resolution was adopted that, "Whenever by improved appliances, new or different methods, or superior facilities introduced by the manufacturers, an increase in the quantity of work produced can be made, the price of molding may be decreased proportionally, provided the new price shall not reduce the average wages of the molder who makes it."<sup>2</sup>

In the conference of 1893, the Iron Molders made a formal demand for fifteen per cent. increase in prices, but the representatives of the Defense Association were able to show that the general conditions of trade were such that no advance in the selling prices of stoves could be maintained. In reporting to the Union, the Iron Molders' representatives said of the committee of the Defense Association: "In the presentation of their case in this phase of their inability to comply immediately with our request for the advance of fifteen per cent. on present prices of molding, they had greatly the advantage of the Union's committee, in the exact figures they brought to substantiate their propositions."<sup>3</sup> The officers of the Union began thereafter to tabulate systematically the prices paid in every shop in which its members worked, as well as other statistics appertaining to the foundry. The consequence has

<sup>1</sup> "Proceedings of the Ninth Annual Convention of the National Association of Manufacturers" (New York, 1904), pp. 151, 152.

<sup>2</sup> *Journal*, February, 1892, p. 4.

<sup>3</sup> *Ib.*, April, 1893, p. 1; "Proceedings of the Twentieth Convention" (Cincinnati, n. d.), p. 15.

been that in all their subsequent conferences, they have been nearly, if not quite, as well equipped as the representatives of the Defense Association.

Wages were maintained at the same level for eight years, notwithstanding the severe depression occurring during that interval. In 1895 the Defense Association gave the necessary thirty days' notice of a reduction; but after a thorough discussion it was agreed not to disturb the prices paid for stove-plate molding, providing the Union was successful in resisting the reductions that certain non-members of the Association had given notice they would make. The president of the Union reported that in three instances, the molders had to be withdrawn from stove foundries in order to resist reductions, the acceptance of which would have constituted a violation of the agreement.<sup>1</sup>

The first increase through the medium of the conference with the Defense Association was granted in 1899. The Molders asked for a fifteen per cent. advance. The Defense Association offered ten per cent., which was accepted by the Molders. The most important non-members at once gave the same advance, and those that hesitated were soon forced to do likewise.<sup>2</sup> In 1900 an advance of five per cent. was made, and it was shown to the satisfaction of the representatives of the Molders that a greater increase at that time would raise the selling price of cast iron stoves so high that they would be replaced in some cases by steel stoves, and in others by cheap stoves of sheet iron.<sup>3</sup> A similar advance of five per cent. was made in 1902, and in each case the stove manufacturers without the association followed, so that it may be said that the conference practically fixes wages in the whole trade of stove manufacturing.

The formation of a general wage scale between the Molders' Union and the National Founders' Association has not been so easily accomplished. As a preliminary to forming one,

<sup>1</sup> "Proceedings of the Twentieth Convention" (Cincinnati, n. d.), p. 43; *Journal*, May, 1898, p. 214; "Proceedings of the Twenty-first Convention" (Cincinnati, 1899), p. 3.

<sup>2</sup> *Journal*, April, 1899, p. 159; May, 1899, p. 228.

<sup>3</sup> *Ib.*, April, 1900, p. 186; April, 1903, p. 258.

the Founders' Association classified its members according to the kinds of castings manufactured, and took a census of wages paid throughout the country, with the intention of using the average as a basis for a minimum. The Iron Molders, however, objected to the proposal, on the ground that this systematic way of arriving at a minimum could only be acceptable if every locality which entered into the computation were upon a reasonably fair wage basis, and under the control of the two organizations involved. The Founders' Association then contended for differentials between bench molders and floor molders, and also between small communities and large cities. But the Molders were opposed to the latter half of the proposition, claiming that the same work should receive the same pay throughout the country, as in the case of stove molding; they were, however, willing to yield somewhat on the former half of the proposition, as some of the local agreements provided for such a differential,<sup>1</sup> and others for a differential in the case of aged molders and apprentices just out of their apprenticeship and unable to earn the minimum wage.<sup>2</sup>

As the demands were far apart, the discussion continued during several annual conferences. In the meantime, the Union endeavored to put every district upon a so-called equitable basis as to wages, and both time and money were spent in connection with this leveling-up process. In 1899 the Molders, influenced largely by the ten per cent. increase granted by the Defense Association, demanded and received the same or a greater increase from machinery foundries in nearly all the foundry centres. They then demanded sufficient increases in many of the outlying competitive localities to equal the new rates in the centres. All these changes were made by local agreements for one year. At their expiration, in several of the larger cities where the Molders were especially strong, a further increase of twenty-five cents a day was sought. The

<sup>1</sup> "Minutes of Detroit Conference of I. M. U. of N. A. and N. F. A." (MS.), pp. 157, 206-209; *Journal*, November, 1902, p. 968; May, 1903, p. 346.

<sup>2</sup> "Book of Agreements" compiled by N. F. A. (Detroit, 1903), pp. 5 26, 66.

matter was referred to the conference committee, according to the New York agreement. After numerous sessions, extending over two months, the committee failed to agree upon a permanent rate, and each side was left to its own course.<sup>1</sup> A test of strength followed, centering in Cleveland, and resulting, as has been said, in the nature of a compromise; but the contest emphasized the difficulty of forcing up a local rate of wages in order to make the new local rate a general one.

The advantage of having a general standard wage, however, was not forgotten, and in the 1903 conference the Founders changed the form of their differential proposition, by suggesting that after having agreed upon a standard wage, provision be made whereby the founder could pay certain men as much over the standard as he saw fit, and might employ forty per cent. of his entire force of molders at ten per cent. less than the standard rate agreed upon. The Union, however, considered this differential more liable to abuse than the former, and refused to recede from its demand for a minimum below which no molder should be paid, but above which the employer should have a free hand.<sup>2</sup>

At this point the question of a standard wage now rests. No middle ground has been found by the committee, upon which both parties are willing to stand. The wage clause in "the standard form of agreement" since issued by the Founders' Association, simply provides that employers "shall be free to employ foundry operatives at such wages as may be mutually agreed upon, said rate to be governed by local or shop conditions."

*Length of the Labor Day.*—As the stove molders are paid by the piece, the length of the labor day is not a matter of as much importance to them as to the machinery molders. For years the time spent in preparing molds for the "pouring off" in the stove foundries has been about seven hours. The only

<sup>1</sup> "Proceedings of the Twenty-first Convention" (Cincinnati, 1899), pp. 7, 8; "Proceedings of the Third Annual Convention of the N. F. A." (MS.), p. 25; *Journal*, August, 1900, p. 447; March, 1901, p. 45.

<sup>2</sup> "Minutes of Cincinnati Conference of I. M. U. of N. A. and N. F. A." (MS.), pp. 9-13; "Proceedings of the Sixth Annual Convention of N. F. A." (MS.), pp. 51-54; *Journal*, April, 1903, pp. 247-248.

agreement with the Defense Association bearing thereon is contained in clause sixteen of the 1902 agreement. It provides that the molder shall devote the seven hours entirely to molding, and leave all unskilled labor therewith connected, "such as sand cutting and work of like character," to the laborer.

As in almost all other industries, the labor day has been gradually shortened in the machinery foundries. In the *Journal* for October, 1870, the president stated that some molders worked thirteen and fourteen hours a day. In 1872 President Saffin advised the Union not to strike for the shorter work day, saying that "where the members of our trade are the best organized and the best governed, there is where the prospects are that the hours of labor will be shortened, if possible. If then we force the employers who are now paying the highest wages to reduce the hours of labor, thereby further increasing the cost of manufacture, and do not at the same time compel their competitors also to reduce the hours of labor, we are still further preventing the opportunity for competition; and if the demand is enforced and continued, we will drive some of our employers either out of business, or force them to move their establishments." Since 1901 the Molders' Union has, however, been endeavoring to obtain formal recognition of a nine-hour day from the Founders' Association. There is considerable sentiment among the founders in favor of a general nine-hour work day. In the Sixth Annual Convention of that body the subject of the nine-hour day came up for discussion, and one founder who had recently conceded the nine-hour day to his molders, said that his shop was doing the same amount of work in less time with the same number of men. Another member, from Troy, said that in that city the men demonstrated that they could and would do the same work in nine hours that they had previously done in ten. The local agreement for Denver, Col., provides that the molders "will make an honest endeavor to accomplish the same amount of work in nine hours as in ten hours. By honest endeavor is meant wherever it is not a physical impossibility." The founders desire, however, to obtain in return for the nine-hour day concessions on the part of the Molders.

The Molders, on the other hand, are averse to making it a matter of compromise, claiming that rapid progress is being made toward the shorter work-day through their own efforts. Thus, from a tabulation made in November, 1903, by the Founders' Association, it appears that the molders in thirty-eight cities are working ten hours, and in seventy-nine cities nine hours.

*Open Shop.*—The agreements of the Iron Molders are peculiar, in that although few of them provide for the exclusive employment of union men, yet there are many shops where only union men work. The explanation lies in the fact that the Union has so thoroughly organized the trade that nearly all the best molders are in the Union, and whenever a founder increases his force, it must be with union men. Similarly when a founder tries to operate his foundry with non-union men in time of strike, few skilled molders can be obtained, and raw men have to be broken in. The Union has unionized the open shops, rather by inducing the molders to enter the Union, than by bringing pressure to bear upon the employer to discharge non-union men, or to force them to join the Union. The declared policy of the Union, in the words of one of its presidents, is, "It is the duty of the Union alone to see that the men come into the Union."

When the agreement was made with the Defense Association, about sixty per cent. of its members were operating open shops. A few maintained non-union shops, and they were averse to making them all union shops. It was, therefore, agreed that where more than one-half of the molders of any shop were union men, the Union should be recognized, and union conditions should prevail; but that the non-union molders should not be coerced to join the Union. In any shop where the union men were in the minority, the employer was bound by the conference agreements, but not by purely union restrictions—such as those concerning apprentices. In both cases the employers agreed not to discriminate against union molders. Gradually, however, all except two of these open shops have become union shops.

The same understanding in regard to the open shop has been reached with the members of the Founders' Association,

although no written agreement to that effect has been entered into. In their "standard agreement" the founders have sought to extend and strengthen the open shop by the clause, "Every workman who elects to work in a shop will be required to work peaceably and harmoniously with all his fellow employees." The Molders say that to agree to this clause would be to consent to advance no objection to any number of apprentices, helpers, handy-men, and professional strike-breakers who might be introduced into the foundry. It would mean that but a portion of those employed in the foundry would be members of the Union, and under its jurisdiction, and that an agreement with but a portion of the molders in a foundry would be of small value to the founder, as under these circumstances, the Iron Molders' Union would not be in a position to enforce the terms of an agreement entered into. The responsibility and discipline of the national organization would thus cease to be a factor; since it would soon find itself unable to carry out its part of the contract, in the face of semi-organized foundries where any number of non-union molders were employed, to say nothing of the body of helpers and handy-men who might be at work.<sup>1</sup>

*Apprenticeship.*—Next to wages, the apprentice question has been the most frequent cause for contention between the Union and the employer. While the International Union was still in a formative stage, the second convention in 1860 added to the by-laws of the organization the clause: "It shall be in the power of each local union to regulate the apprentice system as they may deem expedient." A further resolution was adopted to the effect that "the subordinate unions be impressed with the necessity of instituting some regularly articulated apprenticeship system." In 1864 the president of the Union recognized the difficulty and importance of the apprentice question, and declared: "The great need is legislation, whereby each boy entering a shop to learn a trade shall be bound to serve a certain number of years, and that the master must be made to assume the responsibility of properly teaching the boy the trade."<sup>2</sup> In behalf of the enactment of such

<sup>1</sup> *Journal*, July, 1904, p. 505.

<sup>2</sup> "Life, Speeches, Labors and Essays of Wm. H. Sylvis," p. 121.

a law, he appeared the following year before the Legislature of Pennsylvania; but failed to secure the desired result. The president of the Union continued to present the question at successive conventions, and generally recommended that the local unions see that apprentices were indentured, and if an employer refused, that the local union do all in its power to restrict the number of apprentices in his shop.<sup>1</sup>

In justification of this policy, it was urged by the president of the Union, in 1870, that self-preservation is the first law of nature, and "on that ground, and that alone, do we make our apprentice laws;" but further "that if any employer is willing to indenture his apprentices, he will not receive any opposition from the molders, no matter how many he may employ."<sup>2</sup> Originally the ratio generally observed by the local unions was one apprentice to ten journeymen. The Berkshire system was in common operation, the principal feature of which was that each molder had a helper, or "buck," who after several years' employment might enter the trade as a molder. When the use of the "buck" lost its importance, through improved foundry machinery, and through the growing influence of the Union, the ratio was changed to one apprentice for each shop, and an additional one for every eight journeymen employed. At the sixteenth convention of the Iron Molders, in 1882, this ratio became the law of the International Union, though the enforcement of the ratio did not at once become uniform.

The apprentice question came up in the first conference with the Defense Association. The committee of that organization presented statistics to show that the average term of a molder's productive capacity is not more than fourteen and a half years, and consequently that the Union ratio was too unfavorable to maintain a proper supply of molders. The committee of the Iron Molders admitted the justice of the claim, and agreed unanimously to the resolution proposed by

<sup>1</sup> "Proceedings of the Sixth Convention" (Philadelphia, 1865), pp. 7, 11; "Proceedings of the Seventh Convention" (Philadelphia, 1866), p. 12; "Report of President to the Eighth Convention," in *Journal*, January, 1867, p. 1; *Journal*, August, 1876, p. 4.

<sup>2</sup> *Journal*, October, 1870, p. 3; September, 1876, p. 66.

the founders, that "the law of the Iron Molders' Union restricting the proportion of apprentices to one in eight journeymen, with one for each shop, compels manufacturers, by necessity, to disregard such proportion, and operate open shops in order to supply the demands; therefore it is requisite that the question receive an immediate investigation and readjustment upon a reasonable basis."<sup>1</sup>

At the 1902 conference, representatives of the Iron Molders agreed to a proportion of one apprentice to six journeymen, provided the change was ratified by the Union. The following clause was at the same time made a part (Clause 4) of the conference agreement:

"Apprentices should be given every opportunity to learn all the details in the trade thoroughly, and should be required to serve four years. Any apprentice leaving his employer before the termination of his apprenticeship should not be permitted to work in any foundry under the jurisdiction of the I. M. U. of N. A., but should be required to return to his employer. An apprentice should not be admitted to membership in the I. M. U. of N. A. until he has served his apprenticeship, and is competent to command the average wages. Each apprentice in the last year of his apprenticeship should be given a floor between two journeymen molders, and they, with the foreman, should pay special attention to his mechanical education in all classes of work."

The question of the ratio was much debated at the convention of the Iron Molders held the same year, but general sentiment was opposed to any change. It is probable that many of the delegates would have been more favorably inclined, had the members of the Defense Association alone been involved. As it was, the impracticability of administering a law of limited application was recognized. The Defense Association urged, through a representative, that the ratio be made one to four, and this modification of the original demand tended to strengthen the opposition to any change.<sup>2</sup>

The officers of the Union, however, continued, both in the conventions and in the official journal, to advocate a revised

<sup>1</sup> *Journal*, March, 1891, p. 5.

<sup>2</sup> *Ib.*, August, 1892, p. 532.

ratio, on the ground that conditions warranted a change. In the 1895 convention the president recommended a ratio of one to six, and stated that in the stove and bench branches of the trade, it could safely be said that there was at that time one apprentice employed to every four journeymen. The subject came up annually in succeeding conferences, and in 1899 the Defense Association proposed the abolition of the Berkshire system, as an offset to a one-to-four ratio. This proposal offered little inducement to the molders, as most founders had come to acknowledge that the Berkshire system was no longer profitable, whereas an increased number of apprentices would be clearly advantageous to many founders. Both sides, however, agreed to gather statistics during the year, and to come to the next conference prepared to act.<sup>1</sup>

The figures submitted the following year showed that the average ratio of apprentices to journeymen in the stove foundries without the Defense Association, was 1 to 5.4, and in those controlled by the Association, 1 to 4.8. It was obvious that the non-union shops without the Association, and the open shops both within and without the Association, formed an average ratio considerably below the Union ratio. The founders maintained that the union shops should not be placed at so serious a disadvantage in competition with the open shops. They argued further that previous to the conference agreements, the frequency of strikes had produced a great number of molders, in spite of the Union. Since the conference agreements had practically eliminated strikes in the shops of the members of the Defense Association, and had greatly diminished the number of strikes in the shops of non-members, the supply of good molders was falling off. The committee of Iron Molders did not dispute the validity of these claims, and agreed to refer a change to a proportion of one to five, to the members of the Union. The proposition was, however, again defeated by an overwhelming majority, although only about two-fifths of all the members voted.<sup>2</sup>

At the next conference, held in 1902, the Molders' com-

<sup>1</sup> *Journal*, April, 1899, p. 162.

<sup>2</sup> *Ib.*, April, 1900, p. 208; May, 1900, pp. 256, 257, 274; April, 1901, p. 276; June, 1901, p. 346; February, 1902, p. 80.

mittee, in order to meet the conditions, disregarded the letter rather than the spirit of their constitutional ratio, by agreeing "that in case any member of the Defense Association who observes the ratio of one to eight, was being injuriously affected by his inability to secure a sufficient supply of journeymen molders, the president of the Iron Molders, with the consent of the employer and the shop committee of the foundry, should allow the employment of such additional number of apprentices as may be required and mutually agreed to."<sup>1</sup> In the 1904 conference, this agreement was broadened so as to provide "that whenever any member of the Defense Association cannot secure the molders he may require for the needs of his business, he shall be allowed to employ such additional number of apprentices as shall be mutually agreed upon." The practical effect of this clause has been to place the determination of the apprentice ratio in the hands of the national officers.

Similar discussions in regard to the apprentice ratio have occurred in the conference with the Founders' Association, but owing to the wide difference of opinion on the wage minimum no great effort was made to reach an agreement on this subject. During the recent wave of prosperity, difficulty was experienced by some foundrymen in obtaining sufficient molders, and in some cases an increase in the number of apprentices was permitted by the union officers.

For several years the Founders' Association has followed the policy of making contracts with a number of trusted molders, guaranteeing to each the maximum wage of a molder of his class, and in addition a bonus each day. These serve as instructors for unskilled workmen in shops that are endeavoring to break a strike. The purpose in view is not merely to meet the immediate need, but to increase the number of molders available in cases of future need.<sup>2</sup> In his report to the 1901 convention, the president of the Founders' Association said that this bonus system was effective in dull times, but

<sup>1</sup> *Journal*, April, 1902, p. 204.

<sup>2</sup> "Proceedings of the Sixth Annual Convention of the N. F. A." (MS.), p. 36; "Proceedings of the Fifth Annual Convention of the N. F. A." (MS.), p. 18.

in good times it was "better to offer one dollar per day to break in, on each floor, a young man, between twenty and thirty years, who thus breaks away from the ranks of common laborers and handy-men, and enters the trade of molding, where, from the very outset, the financial inducements can be made very much greater than they would be when entering the apprentice ranks under normal conditions. Following this plan, only a very few competent molders would be required in most foundries, and these would chiefly be occupied as gang bosses." It will be observed that this is only a modification of the old Berkshire system. This policy of the Founders' Association has had no little effect in arousing the suspicion of the Molders' Union, and in bringing about the present strained relations.

In the standard form of agreement that the Founders insist be adopted, the clause relating to apprentices reads as follows: "The number of apprentices, helpers and handy-men to be employed, will be determined solely by the requirements of the employers." The Molders say, in objection, that the adoption of this clause would give virtual consent to the employment of both helpers and handy-men for the purpose of making molds, and that this would tend to deny the so-called apprentices proper opportunity of learning the trade, if indeed it would not result in the extinction of the apprentice in the industry.<sup>1</sup>

In many local agreements provision is made that apprentices be given work in all branches of the molding trade, and the Union has made effectual objection in cases where the apprentice has not been given sufficient opportunity to learn the trade thoroughly. It is conceded by the foundrymen that the Union's supervision of the apprentice is producing better molders, although too few.

*Molding Machines.*—When molding machines first came into use, the molders refused to work them when requested by their employers, on the ground that the work was monotonous and uncongenial to a skilled molder. It was not until 1899 that the officers of the Union, seeing the work slipping from

<sup>1</sup> *Journal*, July, 1904, p. 504.

their hands, brought the matter before the convention, in order to determine "how best to minimize the future danger, and how to repair the injury done by the grievous mistakes of the past." The outcome was the adoption of a definite policy on the part of the Union to establish jurisdiction over molding-machine operators, to advise and instruct members to accept jobs upon any molding machine when the opportunity was afforded, and to endeavor to bring out the highest possibilities of the machine.<sup>1</sup>

For several years the only effect of this resolution was to alarm the members of the Founders' Association. Soon after the Molders' convention, the Founders appointed a committee on molding machines, which reported that, in answer to the question, "Have your molders ever insisted that molders only should operate machines?" sixty-six concerns answered in the negative, and only six in the affirmative.<sup>2</sup> At the following convention, in 1900, the president of the Association stated in the discussion on molding machines: "The molders are more at sea than we are. We know the position we occupy with regard to the molding machine, and I believe that the time will come when they will take the operator of the molding machine into the Union, but in the expression of opinion they have made, and in their *Journal*, there is evidence that the molders working in your shops are opposed to taking the machine operator into the Union on a par with themselves. If they do take him into the Union, it will probably be because we drive him in."<sup>3</sup>

There are no references to the machine in the minutes of the conference with the Defense Association, and it appears that molding machines cannot be well applied to the work of the stove foundry. The subject came up, however, in the conference with the Founders' Association, in connection with the differences between the Iron Molders and the founders of Cleveland and the vicinity. The agreement for that locality,

<sup>1</sup> "Proceedings of the Twenty-first Convention" (Cincinnati, 1899), p. 166; *Journal*, August, 1899, p. 395.

<sup>2</sup> "First Semi-annual Convention of the N. F. A." (MS.), p. 67.

<sup>3</sup> "Proceedings of the Third Annual Convention of the N. F. A." (MS.), p. 68.

as finally adopted, contains this clause: "The right of the foundryman to introduce or operate molding machines in his foundry shall not be questioned. In determining who shall operate them, regard should be given the question of how their best possibilities can be brought out, and how the work can be most economically produced." It has been said by the Union representatives that the statement as to who should operate the machines was left indefinite, because no definite policy had yet been adopted by the executive board.

In the conference of 1902, the Founders stated that their association had resolved that each member should determine his own policy in regard to employing journeymen molders on the machines. It was intimated that if the Iron Molders would accept a system of differential wage rates, it would aid in settling the question.<sup>1</sup> In the same year, the business agent of the Molders at Indianapolis, having seen several shops gradually passing from the Union's control, by the introduction of molding machines, obtained permission from the executive board to organize these operators. He induced everyone who was eligible to join a newly organized union of machine operators, and secured from the founders in question agreements calling for twenty cents per hour minimum wage for machine molders, and an apprenticeship of two years. The agent stated, "These firms have in the past been ready and willing to turn the machines over to the molders and pay the molders' minimum. I endeavored at one time to get molders to operate them, but could not secure one man who was willing to do so."

In the 1903 agreement with the Founders' Association of Pittsburg and vicinity, provision was made "That the founders should have the privilege of introducing molding machines and improved appliances of any kind, and the right to have them operated by the Iron Molders, or by any other parties best adapted to operate the machines." Thus, although nearly all the foundries in Pittsburg, as in Cleveland, are union shops, the founders are free to employ laborers on the molding machines. The president of the Founders' Associa-

<sup>1</sup> *Journal*, May, 1902, p. 284; June, 1902, p. 403.

tion said, in the 1903 convention of that body, that the Pittsburgh agreement clause concerning molding machines and improved appliances "was construed so broadly in one foundry that they put in follow boards where they had not used a follow board before, and put laborers on to do the work."<sup>1</sup>

*Limitation of Output.*—There is no written law of the national Union limiting the amount of a member's output; but the representatives of the Iron Molders, in conference with the representatives of the Founders' Association in 1900, did not deny that specific cases could be cited wherein fines for excessive output had been occasionally imposed by the local unions. They claimed that "the cases were so few in number, and generally of such an aggravated character, that the attempt to hold them up as an indication of the policy of the Union is extremely unjust."<sup>2</sup> They further expressed the opinion that a man should not be compelled to work to the point of exhaustion, and for that reason there was a point where restriction was justifiable to protect the health and comfort of the workman. Mr. Valentine, Vice-President of the Iron Molders' Union, said, "In my experience from investigating grievances, I have run across foundrymen who are anxious to get out a certain amount of work, at least the same amount that his competitor is getting out, and who may have different conditions in his shop. He has fussed with his molders for not getting out the work and called them all shirks. I have made a personal investigation in these cases and some of them are right, but in a great many instances, I have investigated the way the work was made in other shops and have found in these shops it was made in a certain way which enabled a man to get out the work without extra exertion, but in the other shop it was simply impossible for the men to get the same amount of work because of the methods pursued." On being asked by Mr. Pessano, "Who makes the limit?" Mr. Valentine replied, "Custom. There are limits in non-union shops. There are lots of non-union shops in this country that pay better prices than the union shops, and

<sup>1</sup> "Proceedings of the Sixth Annual Convention of the N. F. A." (MS.), p. 115.

<sup>2</sup> *Journal*, September, 1900, p. 531; May, 1902, p. 284.

there is an understanding recognizing a limit and recognizing a set day's work; custom has made it so."<sup>1</sup>

The only case of limitation of output recorded in the official minutes is an instance where the Philadelphia local union had set a limit to the earning capacity of the piece-work molders under its jurisdiction. The Founders' Association protested to the president of the Iron Molders, who went to Philadelphia, and demanded that the union pass a resolution abolishing the restriction, threatening otherwise to revoke the charter. The local union unanimously abolished the restriction, and sent a copy of the resolution to the officers of the Founders' Association.<sup>2</sup>

In the 1903 conference, the Founders' Association proposed as a clause of the national agreement, "There are to be no fines or restrictions placed upon a molder for the purpose of handicapping or retarding him, in any way, from putting forth his best efforts to produce the best quality and quantity of work in the shortest time." The Molders' committee proposed as a substitute, the following clause, which was actually adopted, "That arbitrary limitation of output on the part of the molders, or excessive demands for output on the part of the foundryman, or his representatives, shall not be permitted, nor shall the practice of employing a 'pace maker' be given any countenance whatever; and it shall not be considered a violation of this provision, if a molder does not duplicate the output of one so employed; but on the other hand, a molder shall be required to do at all times a fair and reasonable day's work."<sup>3</sup>

The clause of the agreement with the Defense Association, bearing upon this subject, adopted in 1902, reads thus: "Inasmuch as it is conceded by the members of the Stove Founders' Defense Association that the earnings of a molder should exercise no influence upon the molding price of work, which is set according to well-established precedent, and rule

<sup>1</sup> "Minutes of Detroit Conference of I. M. U. of N. A. and N. F. A." (MS.), p. 4.

<sup>2</sup> "Proceedings of the Sixth Annual Convention of the N. F. A." (MS.), p. 43.

<sup>3</sup> *Journal*, May, 1903, p. 348.

of conference agreements, by comparison with other work of a like kind, the placing of a limit upon the earnings of a molder in the seven hours of molding, should be discountenanced in shops of members of the Stove Founders' Defense Association." Local agreements with founders, whether members of either association or not, generally provide that there shall be no limitation of output on the part of the molder.<sup>1</sup>

*Union Label.*—From the nature of the commodity produced, the union label has played a comparatively minor part in the relations between molder and foundryman. Even those manufacturers of machinery and general jobbing castings who conform to union conditions, have but little reason for putting the label upon their products. This is true to a less degree of the stove manufacturers; but even with them it has been the custom to affix the label to the stove only when specially ordered.

The Defense Association, largely influenced by the recent action of the Citizens' Industrial Association of America, in proscribing union label goods, amended its constitution so as to prohibit the use of any union label by its members. The subject was brought up in the 1904 conference by a resolution binding the Iron Molders "not to discriminate against the goods, or interfere with the customers of any member of the Defense Association, because of his not using the label."<sup>2</sup>

The resolution was discussed during two days' sessions. The Union representatives contended that such an agreement would tie their hands, and prevent them from pushing the use of the label with stove manufacturers not members of the Defense Association. They suggested that if the union shops of the Association did not desire the label, certificates showing that the shops complied with union regulations should be furnished by the Union. They also claimed that the Iron Molders' Union had never interfered with a member of the Defense Association, because he did not use the label; but had advised employers to use it in selling goods in localities where the label was demanded. The Union representatives were

<sup>1</sup> *Journal*, April, 1902, p. 204; "Book of Agreements," pp. 9, 24, 44, 47, 53, 58, 61, 66; *Journal*, March, 1901, pp. 134-136.

<sup>2</sup> *Ib.*, April, 1904, pp. 233-239.

especially desirous of maintaining, by some tangible means, the distinction between strictly union and open shops. No decision having been reached, the whole matter was referred to a sub-committee, to be thoroughly threshed out, and at length the following resolution was agreed upon and unanimously adopted by the conference, "Resolved, That the Iron Molders' Union of North America shall not itself, or by any of its agents, in any manner discriminate against the goods manufactured or sold by any member of the Stove Founders' National Defense Association, because of the unwillingness of such member of said association to use the union label."

There has been no specific demand on the part of the founders that the Iron Molders should incorporate their organization in order to make it more responsible. In 1870 the president of the Union took measures for securing a charter from the national government. The objects in view were the protection of the funds of the Union, and the improvement of the system of coöperative production then being tried. Congress failed to pass the bill, for the reason, as stated by the president of the Iron Molders, that the word "International" in the title of the Union had, in the popular mind, a certain association with socialism. The title of the organization was accordingly changed to Iron Molders' Union of North America, and the Union arranged to locate its headquarters in the District of Columbia, in compliance with the requirements of a federal charter. The bill was re-introduced in Congress, but again failed of passage; this time—in the words of the president of the Union—"by reason of the serious opposition to it on technical constitutional grounds; but on investigation it was found it was more personal animosity from one or two members than anything else, and they were anxious to defeat the bill."<sup>1</sup>

In the absence of power to secure legal enforcement of its contracts, the standing of the Union as a contracting agent is determined by the attitude of its members and officers towards its obligations. Since 1882 the control of strikes and lock-

<sup>1</sup> "Proceedings of the Twelfth Convention" (Cincinnati, 1874), p. 17; *Journal*, May, 1876, p. 696.

outs has been vested in the president and executive board, and expulsion from the national Union prescribed as the penalty for striking without their sanction.<sup>1</sup> This law, however, does not appear to have been strictly observed. In 1885 an independent strike by the Cincinnati local union, against a reduction of wages, involved nearly every union throughout the Middle West. In his report to the seventeenth convention, the president of the Union lamented that this strike, undertaken without the sanction of the president and executive board, and contrary to their advice, had crippled many of their best unions. From the bitterness of this experience, there grew a general sentiment for discipline and strict adherence to the law of the Union governing strikes. In several instances thereafter, where local unions, desiring to strike, appealed to the members of the Union from the decisions of the executive board, the officers were sustained by an overwhelming majority.

In order to enforce the provisions of the agreements with the Defense Association, the constitution of the Union was changed in 1891 so as to require in order to carry a motion to strike, a three-fourth secret vote of all members of three months' standing present at a meeting; even then, the members must remain at work until the grievance has been personally investigated by the president or his deputy, and the executive board has sanctioned the strike. The president of the Union said to the convention of 1895, "Our laws governing grievances with amendments added thereto, providing that members involved in questions or disputes with employers shall remain at work, pending an investigation by one of the national officers has strengthened the position of the Union, and proved beneficial in all cases. My experience, based on frequent trials, has been that where members had a grievance and remained at work pending an investigation, the question at issue could invariably be handled better and with more satisfaction than when the members impulsively left their work."

Until very recently the Molders have adhered to trade autonomy, and for this reason have been peculiarly free from

<sup>1</sup> *Journal*, July, 1882, p. 4.

sympathetic strikes. The first strong temptation to enter upon such strikes followed closely upon the organization of the core-makers in 1896. Like all new organizations, the core-makers tried to secure the support of the more powerful Molders' Union, in its efforts to push up the wage scale. The molders were the more inclined to aid, as a higher wage for the core-maker would likely mean a higher wage for the molder. But as such strikes threatened demoralization, as well as impairment of the Union's credit with employers with whom agreements were in force, the executive board passed a resolution that "molders may not enter upon strikes in defense of core-makers, unless the law of the Molders has been complied with, and the sanction of the executive board obtained."<sup>1</sup> In his report to the convention of the Founders' Association, the secretary in speaking of a strike of core-makers, said that "they appealed to the Molders for sympathy and assistance, but the Molders, after considering the matter, reported that they felt that they were bound by the New York agreement, consequently were under obligations to assist their employers, and should hold themselves ready and willing to make any and all cores connected with the jobs upon which they were working. This firm stand on the part of the Molders immediately defeated the plans of the core-makers. The incident is especially interesting as an exhibit of praiseworthy conduct on the part of the Molders."<sup>2</sup> The danger of sympathetic strikes on account of the Core-Makers has since been removed by the absorption of that organization by the Iron Molders' Union, and the Core-Makers have become subject in all respects to the laws of the latter Union.

The president of the Founders' Association, in his report to the 1901 convention of that body, said of the advantage of the New York agreement, "It may be of interest to state that during the summer months, when the machinists' strike was at its height, no less than 150 telegrams and letters were received at the headquarters of the Iron Molders' Union of

<sup>1</sup> *Journal*, July, 1898, p. 326; "Proceedings of the Twenty-first Convention" (Cincinnati, 1899), p. 117; *Journal*, January, 1902, p. 17.

<sup>2</sup> "Proceedings of the Second Semi-Annual Convention of the N. F. A." (MS.), p. 29.

North America in Cincinnati, requesting the privilege to go on strike in sympathy with the machinists. All of these were refused by President Fox and his advisory board, through the influence of the National Founders' Association and the agreements which are in existence between the two organizations."<sup>1</sup>

The rapid growth of the Molders, from 21,000 members in 1897 to 41,000 in 1900, and to 80,000 in 1904, has introduced into the Union a large element more or less radical, and as yet unaccustomed to the discipline of organization. This section of the membership has on several occasions shown a disposition to disregard the advice of the national officers, and the decisions of the executive board against entering upon strikes. The officers, however, have given no evidence of any inclination to temporize,<sup>2</sup> and a threat to revoke the Union's charter has generally been sufficient to restrain unauthorized action. In 1901 the molders of Chicago refused to abide by an agreement made by their national officers with the local members of the Founders' Association, and repeated efforts by the national officers were ineffectual in securing compliance therewith. The president of the Association, in his report to that body, stated, however, "I believe the officers of the I. M. U. of N. A. have been indefatigable in their efforts to restore discipline in their ranks in Chicago. They refused to sanction the strike, and have withheld financial support. Notwithstanding that, the strike has been prosecuted with great energy."<sup>3</sup> Of the eighty foundries in Chicago, fifty were not members of the Association, and most of these at once yielded to the demands of the local union. Because of this fact, the local union expected to carry its demand, and in the Iron Molders' convention of the following summer, appealed from the decision of the officers. The vote of the convention, however, was so nearly unanimous against the appeal that the strike against the members of the National Founders' Association in Chi-

<sup>1</sup>"Proceedings of the Fifth Annual Convention of the N. F. A." (MS.), pp. 29, 30.

<sup>2</sup>*Journal*, August, 1903, p. 639; May, 1900, p. 277; October, 1901, p. 616; May, 1902, p. 283.

<sup>3</sup>"Proceedings of the Fifth Annual Convention of the N. F. A." (MS.), p. 283.

cago was at once declared off. The president of the Founders' Association stated before the convention of his organization held in Detroit in 1900, "It has been claimed by the officers of the I. M. U. (and perhaps with some reason) that in some cases members of our Association have not lived scrupulously up to the spirit and letter of the agreement made in New York. I would like to again call the attention of the members of our Association to the necessity of being careful in matters of this kind if we are going to exact a strict fulfillment on the part of the other party to the contract."<sup>1</sup>

In the convention of the Founders' Association, held in New York in 1901, the president of that body declared, "Many serious strikes have been avoided through the beneficent provisions of the New York agreement, and while there have been at times violations of this agreement, on the part of the local unions, the national officers have, in every case, been fearless and honest in their rulings against the men."<sup>2</sup> In 1903, the secretary of the same association wrote that during the five years that the New York agreement has been in force, strikes and lockouts have been almost entirely eliminated, and more than ninety-five per cent. of the cases referred to the conference board for settlement under the agreement, have been adjusted satisfactorily to both sides.

In the early days of the agreement with the Defense Association, the officers of the International Union had some difficulty in breaking the local unions' inveterate habit of walking out of the shop after submitting a grievance to their employer, instead of continuing at work in accordance with the agreement. But the men invariably obeyed when ordered back, although upon several occasions the national officers added the threat to fill their places with other molders, if they did not return. Similarly, in several instances, the stove manufacturers locked the molders out, instead of following the provisions of the agreement in the case of grievances; but on each occasion, the Defense Association refused to sustain

<sup>1</sup> "Proceedings of the Third Annual Convention of the N. F. A." (MS.), p. 11; *Journal*, May, 1903, p. 348; August, 1902, p. 546.

<sup>2</sup> "Proceedings of the Fifth Annual Convention of the N. F. A." (MS.), p. 28.

the offending member, and the men were taken back without discrimination. With this qualification, the agreement has not been violated during the thirteen years of its life, either by the Union or by the Defense Association, although in the year 1903 alone, some two hundred and fifty disputes were adjusted under the provisions of the agreement.<sup>1</sup>

In attempting to deal fairly with the Defense Association in the adjustment of disputes, the Iron Molders have established respect and confidence. Many of the open shops of the association, by the free choice of their owners, have become union shops, among them being the St. Louis foundries, in which the great lockout of 1887 originated. In announcing this fact at the 1900 conference, Mr. Holland, the representative of the St. Louis foundries, said that they had successfully resisted the arbitrary exactions and conduct of the Iron Molders' Union, and had achieved their independence in 1887. "But there is a vast difference between the Iron Molders' Union of 1887 and the Iron Molders' Union of 1900. The days of arbitrary exactions and inconsiderate treatment of the interests of the employer are gone, and the relations of the Iron Molders' Union with founders are, wherever they will permit it, conducted in an orderly, business-like, and methodical manner."<sup>2</sup>

<sup>1</sup> "Records of Stove Founders' National Defense Association for 1903" (MS.).

<sup>2</sup> *Journal*, April, 1900, p. 207; August, 1900, pp. 451, 461; Records of the Stove Founders' National Defense Association (MS.), May 28, 1900, and October 23, 1900.

# IX

## APPRENTICESHIP IN THE BUILDING TRADES

BY

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## IX

### APPRENTICESHIP IN THE BUILDING TRADES

THE aggregate commonly described as "the building trades" is differently constituted in different localities. The construction of modern office buildings has called for new kinds of industrial skill, and in cities where such buildings are constantly in course of erection, workmen engaged thereon are distributed among forty or more different trades. The journeymen belonging to the newer trades are employed upon a comparatively small number of buildings; in general their associations are small, more or less local in extent, oftentimes short-lived, and in most cases no international unions have been formed. On the other hand, members of the older group of trades are employed upon all classes of buildings, and perform a greater part of the work thereon; they have large membership and strong organizations. As a rule they are represented in every building trades' council, and have formed international unions.

This study is based largely upon such of the building trades as have formed international unions. All of the building trades thus defined, except the International Hod Carriers' and Building Laborers' Union and the International Association of Bridge and Structural Iron Workers, have made some provision for an apprentice system. These two international unions are of recent origin; the former having been organized on April 13, 1903, and the latter on February 4, 1896. Many local unions of the Bridge and Structural Iron Workers have apprentice laws in force within their respective jurisdictions, but no mention of the apprentice is made in the latest International constitution.<sup>1</sup> At the sixth annual convention of the Bridge and Structural Iron Workers held at Milwaukee in 1902 the question of apprentices was discussed at length and finally referred to the executive board. This body fixed

<sup>1</sup> "Constitution, amended 1903" (New York, n. d.).

the ratio at one apprentice to seven journeymen, which was incorporated in many contracts made with large companies; but the ratio was not observed by all locals and was of little effect. At the Kansas City convention (1904) the committee to which had been referred the apprentice regulations reported in favor of the action of the Milwaukee convention; but upon vote the apprentice question was referred back to the locals. In fact this Union does not represent a highly skilled trade; it is composed largely of former sailors, "hatchet and saw" carpenters, or newcomers who have taken up the work because it pays well, or because employment cannot be secured at their proper trades. A competent foreman is able to direct comparatively green hands in a satisfactory manner. Members of the Hod Carriers' Union work as laborers, and not as mechanics; hence no apprentice laws are necessary.

Certain characteristics of the building trades as a group virtually determine the apprentice laws in force therein. The principal crafts represented have retained much of the traditional idea of a trade. Each workman carries his tools with him as he journeys from place to place. In such older trades as carpentry, bricklaying, stone cutting, and lathing, many customs in vogue before the formation of unions have been preserved, and are still practised. A peculiar practice of this character still survives among the paper hangers in the city of Cleveland. Each journeyman is required to provide himself with a small handcart in which he pushes his tools and material from place to place over the city. In some cases this becomes a heavy burden, since the workman may be compelled to walk ten or twelve miles in a single day. Old members are frequently allowed a helper who pushes the cart from one job to another. The entire outfit for each journeyman costs about twenty-five dollars. Again; although machinery and improved tools have been introduced in practically all the building trades, and subdivision of work has made rapid progress in some of them, notably carpentry, yet in no single case has subdivision reached the stage wherein the all-round workman is not needed. Both employer and union prefer the fully trained mechanic to the specialist. Neither introduction of

machinery, nor subdivision of labor, has caused any reduction in the nominal term of apprenticeship.

Moreover, the uniform conditions found in other crafts, due largely to competition in the sale of the article produced, do not exist throughout the building trades, and consequently conditions in one community do not materially affect those in another. A distinction is, however, to be noted here between the inside workman or shopman and the outside workman. The former has a fixed place of labor. The material comes to him in the rough, and is taken away a finished product ready for the market. In this case competition in the article produced may to some extent regulate and make uniform the conditions under which it is produced; although even here, competition is often prevented or seriously hampered by the rules of the international union. On the other hand, the outside workman goes wherever employment is to be found; but the product of his labor is not shipped. In some cases both classes exist in the same trade, notably in carpentry, stone cutting, and the work done by bridge and structural iron workers. Here mechanics pass easily from one class to the other, and have the same apprentice laws.

Finally, the building trades as a group are characterized by great irregularity of employment, resulting from the nature of the work done, variations in weather, and changes of season. The journeyman is certain of a job only until the one upon which he is engaged is completed. At least a day or more must intervene between jobs, during which time no wages are received. Employment for seven or eight months of the year is a conservative estimate of the actual working time of the average journeyman in the building trades. To this should be added the fact that perhaps in no other trades is there as great need for quick, effective execution of a new policy, or for immediate enforcement of a shop rule. A short delay, and the particular job causing trouble or intended to be affected by the change, may be completed. So urgent has been the need in this regard that some unions have given the business agent power to call a strike. This policy in turn has led to flagrant abuses, and the authority has in some cases been transferred to a "grievance committee."

The two conditions last noted are responsible for the absence of uniformity in the building trades. Each local union has its own difficulties, to be adjusted according to local circumstances. Shop rules can therefore best meet actual needs, where determined by the local unions and the apprentice laws are so framed. The international unions make provision for apprenticeship, and submit general recommendations in regard thereto; but all important matters are worked out and adjusted by the local unions, with respect to the local environment. An exception to this statement is found in the apprentice rules of the Journeymen Stone Cutters' Association. While the locals are permitted to regulate the number of stone cutter apprentices, they may not go beyond certain limits prescribed by the Association. Explanation of this practice is found in the fact that most stone cutters are shop men, and the product of their labor is to some extent in competition with that of other shops. This competition makes necessary uniform conditions of production if all contractors are to have a fair chance.

Although local conditions influence each branch in framing its apprentice laws, yet the general purpose in view is identical. Unionism in the building trades stands, primarily, for a shorter work day, an increased wage, and more favorable conditions of employment. The apprentice system is simply a part of the machinery used to attain these ends. Other causes for the existence of the system are frequently given, such as to exclude incompetents from the trade, to preserve the craft from falling into the hands of boys and poorly equipped workers, and to encourage worthy young men entering the trade. Yet in any final analysis, the chief purpose is to raise the standard of workmanship, and thus to secure more favorable terms of employment for the journeyman.

In general the trade unionist asserts that apprentice regulations tend to increase the wages of the journeyman, not so much by limiting the number of workmen in the trade, as by increasing the skill of those so employed. The limitation of apprentices has, however, been the center of disturbance, and employers often claim that the main design of apprentice

laws is to increase wages by restricting the number at the trade, rather than by improving the standard of workmanship. Although in some cases true, this is doubtless an extreme view. Pride in high-class work still characterizes the skilled journeyman. Every true mechanic takes deep interest in the general standard of workmanship for the entire craft, as well as pride in his own individual work. His feeling toward the incompetent workman is one of disapproval, to the extent of seeking to exclude him from the organization, unless prevented by other union policies. At the same time it is clear that the restrictive feature of apprentice laws is rigid in certain unions. The secretary of the St. Louis local of the International Brotherhood of Electrical Workers had no hesitation in declaring that it was the policy and practice of his union to exclude all but the best grade of workmen. This was accomplished by maintaining rigid apprentice laws, high initiation fees, and thorough entrance examinations. The regular initiation for this particular union was fifty dollars. During the construction of buildings for the Louisiana Purchase Exposition, it was increased to one hundred dollars. This did not prevent the coming of electrical workers to St. Louis, whereupon the entrance examinations were made so rigid as to exclude many applicants.

An equally important but less obvious purpose of the apprentice system in the building trades, is to aid in the maintenance of a standard rate of wages. If every worker in these trades possessed equal ability and sufficient physical strength for a uniform amount of work, a common wage scale could easily be agreed upon. But the presence of a large number of unskilled workmen, both union and non-union, presents serious complications. Those competent to earn the wage scale attempt to maintain a high standard, while the incompetence of the inferior workman tends to lower it, and a wide difference exists between the extremes of these two classes. Since the union rate is a minimum, it is easy for the rapid well-trained workman to earn his wages; but the journeyman just able to command the rate is always hard pressed, and the incompetent is actually paid, if not in excess of his industrial worth, at least a higher proportionate rate than his fellow

workman. Nevertheless, even the stronger unions hesitate to raise the union rate unduly, lest those unable to command it become a powerful force in opposition, as non-union workmen,—the more in that the equipment needed by a beginner in the building trades consists, in the main, of a few inexpensive tools. A workman from any of these trades soon picks up skill sufficient to enable him to become, in a measure, a competitor of the more expert journeyman. Especially numerous in the building trades, he cannot be disregarded in adjusting the minimum wage, and is perhaps the chief disturbing factor in maintaining it. The problem of the unionist is to reduce these inequalities as to individual workmanship, so that the standard rate will be just. Raising or lowering the rate does not lessen the difficulties, as long as workmen of marked differences in skill and dexterity are found among members of the same trade. To secure a force of workmen of uniform abilities is the purpose of the course of training given beginners. The ideal condition for a perfectly just standard rate—equal ability on the part of each workman—cannot be realized; but wide differences as to skill among men of the same trade may be greatly reduced. A wage scale based upon piece-work system, although perhaps more equitable under such conditions, is little used in the building trades, because of the nature of the work. Well-devised and rigidly enforced apprentice rules thus become the prerequisites of a just standard rate.

The purposes of the apprentice system are usually clear, but the motive of the apprentice in taking up a particular trade is not always as obvious. The natural tastes and desires of the boy, and the influence of parents and friends, are more or less indefinite and intangible; but other influences may be noted with a greater degree of exactness. Of the two organized forces in the building trades, the employer and the union, it is the employer who ordinarily takes the initiative, and induces boys to enter the trade. Being anxious for a large available supply of competent workmen, he has regard for future members, and it is by his solicitations that many boys are secured.

The old form of indenturing or binding out beginners at the trade, has long since been abandoned; but traces may still be found in the constitutions of many of the older organizations of another custom of the journeymen of half a century ago, namely, the disposition of the journeyman to teach the trade to his son or to some member of his family. Thus, in the constitution of the Stone Cutters, provision is made that any local union may regulate the number of apprentices in each yard within its jurisdiction, stone cutters' sons in every case enjoying the preference.<sup>1</sup> Similarly in the apprentice rules adopted by the carpenters' union of Tacoma, Washington, it is specifically stated that "nothing in this article shall be construed to prevent any minor son working with his father, and under his instructions—said father being a member of this union."<sup>2</sup> A more explicit declaration is that of the lathers of Cleveland, Ohio, to the effect that "no apprentice shall be admitted to work in any shop unless he is a son of a member of this union in good standing, and above sixteen years of age."<sup>3</sup> In its official capacity, the union never urges a boy to enter the trade, but concerns itself chiefly with regulating conditions for those who are permitted to enter. However, by favoring sons of journeymen, as stated above, the union exerts considerable influence, while individual journeymen or foremen are often instrumental in securing beginners for their own trade.

Some boys are drawn into the building trades through mere sentiment. The activities involved are peculiarly public and accessible. The workman while engaged at his task is literally in sight, and his masterpiece, of which every mechanic is proud, stands as public evidence of his skill. Finally, high wages and opportunities for constant work attract boys to the trades. It is notable that when these conditions exist for a

<sup>1</sup> "Constitution and by-laws, adopted 1900" (Washington, n. d.), Article 5, sec. 7.

<sup>2</sup> Section 13 of apprentice rules adopted by Tacoma Union, in *The Carpenter*, September, 1902, p. 4.

<sup>3</sup> "Constitution, by-laws and working rules of the Wood, Wire and Metal Lathers' International Union, Local No. 2 of Cleveland, Ohio, revised 1903" (Cleveland, 1903), Article 12, sec. 1.

period of years, a large number of apprentices are found serving the term in the prescribed form, and that during times of less business activity, the number diminishes.

The formal application for apprenticeship is much the same throughout the building trades. In union shops no apprentice can be taken by an employer without the consent of the union. The boy and the employer or journeyman interested, must appear before the union with an application and a statement of the case. Typical regulations in this regard are those of the Journeymen Stone Cutters' Association, which provide: "Each apprentice upon going to the trade shall go before the Branch under which he is serving his time, at the first regular meeting, giving his name, age and place of residence, the name of the firm that he is apprenticed to, and if same is considered satisfactory, he shall be taken under the protection of said Branch, and the Recording Secretary shall keep a record of the name in a book kept for that purpose, and a copy of the record sent to the general office to be kept on file."<sup>1</sup>

In some of the trades, the secretary of the local is required to keep a complete list of all apprentices beginning or ending their term within the jurisdiction of his local, reporting the same to the international union at stated intervals.<sup>2</sup> In cases where a joint agreement with large firms exists, it is common for a permanent joint arbitration board to have charge of all questions concerning apprentices, and to keep record of their progress. Section 9 of the 1902 agreement between the local unions and the Builders' Association of Chicago provides that all apprentices indentured to members of the Carpenters' and Builders' Association shall report to the joint arbitration board at its meeting on the first Thursday in January, April, July, and October of each year. The name, place, and time of those entering upon and completing apprenticeship periods, are often printed in the trade

<sup>1</sup> "Constitution and by-laws, adopted 1900" (Washington, n. d.), Article 5, sec. 2.

<sup>2</sup> "Constitution and rules of order of the Bricklayers and Masons' International Union of America, adopted 1901" (North Adams, 1901), Article 12, sec. 2.

journals. In most cases, boys in the building trades are apprenticed to the employer, to whom they are responsible, and with whom contracts are made. Apprenticing boys to individual journeymen seldom occurs, and in most of the trades is positively forbidden, with the exception that fathers are permitted to teach the trade to their sons.

The terms upon which the applicant agrees to become an apprentice, may be embodied in a verbal or written contract or an indenture, the last form being generally recommended but little used. The recommendations of the Detroit convention of 1888 of the United Brotherhood of Carpenters and Joiners, to the local unions, are that "all boys entering the carpenter trade with the intention of learning the business, shall be held by agreement, indenture or written contract for a term of four years."<sup>1</sup>

In order that the boy may be tested as to ability, fitness, and willingness to work, the employer is permitted to take him on probation, the probationary period varying, in different trades and places, from two weeks to six months. An agreement between the Master Plumbers' Association of Lynn, and the journeymen plumbers' local union, provides as to apprentices, "The first three months shall be on probation, and if acceptable to master plumber, at expiration of said time, the name, age and date of commencement of apprenticeship shall be forwarded to the journeymen plumbers' union within thirty days."<sup>2</sup> The report adopted in 1895 by the Connecticut Masters' convention provides: "Any boy wishing to learn the plumbing trade will be required to work six months on probation, at the end of which time, if he is worthy and competent to learn the trade, a certificate shall be issued to him by the local union, if there be one, if not, then by the state organization, that he is a regular apprentice, stating time and amount of pay he shall receive each year during his apprenticeship. The six months during which he is on probation,

<sup>1</sup> "Apprentice rules approved by the Detroit Convention," in *The Carpenter*, August, 1893, p. 11.

<sup>2</sup> "Agreement between Master Plumbers' Association of Lynn, Mass., and vicinity and the Journeymen Plumbers' Association No. 77," in *Plumbers' Journal*, September, 1895, p. 2, sec. 3.

shall count as part of his term. Should his employer from any cause be unable to continue his employment, it shall be his duty to find, if possible, a place where the apprentice may complete his term of apprenticeship.”<sup>1</sup> In some cases no boy is allowed a trial with more than two contractors, nor a contractor with more than two boys consecutively.

Having thus been duly apprenticed under conditions acceptable to the union and to the employer, the boy goes to his work under their joint care and protection. He is permitted to carry a card, for which a small fee is usually charged. This identifies him, but cannot be used as a clearance card, it being the policy of the unions to prevent apprentices from wandering about from place to place,—a serious problem in the building trades. In some unions this card is renewed quarterly, and any apprentice not carrying the proper quarterly card, is not permitted to work.<sup>2</sup> No employer is forced to accept an apprentice; but in case one is desired, he must proceed in the manner specified by the union, or as provided in the joint agreement.

The age at which an apprentice may enter upon or complete his trade, is determined by fixing maximum and minimum limits between which he may begin service, or by prescribing a certain age at which the term of service must terminate. With some unions this is a question of minor importance, and no limits are fixed, even old men being granted the privilege of beginning an apprenticeship. Other unions are rigid in this respect, permitting apprentices to enter only during a stated period of a very few years. The Journeymen Stone Cutters’ Association thus provides that “no applicant under the age of fifteen or over eighteen shall be allowed to go to the trade.”<sup>3</sup> The International Union of Painters recommends that the applicant be at least nineteen years of

<sup>1</sup> “Report adopted by Connecticut Master Plumbers’ Convention,” in *Plumbers’ Journal*, September, 1895, p. 2.

<sup>2</sup> “Constitution and by-laws of the Operative Plasterers’ International Association No. 46 of the City of Indianapolis and Marion County, Indiana” (n. p., 1900), Article 7, sec. 6.

<sup>3</sup> “By-Laws of the Journeymen Stone Cutters’ Association of North America” (Washington, n. d.), Article 5, sec. 2.

age by the time he completes his term.<sup>1</sup> Perhaps the severest regulation as to age is that wherein a certain age is fixed, and all those who have passed it are forever barred from becoming an apprentice. Section 2 of an agreement dated May, 1902, between the local unions of carpenters and the Chicago Builders' Association provides that "the applicant for apprenticeship shall not be more than seventeen years of age at the time of making application."<sup>2</sup>

Age restrictions are often regarded as working hardship upon those who have been unable to begin at the required time, but are afterwards desirous of taking up the trade. It is, however, urged by the union that any workman who has not begun to learn his trade before reaching the age of twenty-one, is generally unwilling to submit to ordinary apprentice regulations. He will not work with boys for a long term at reduced wages. In fact he cannot afford it in the building trades, where employment is irregular. As a result the man apprentice soon severs his relation with the employer, and seeks work as a journeyman. The unionist contention is not only that the workman who begins his trade at twenty-five or thirty years of age is handicapped in his life work, but also that he will become a less useful member of the union than the lad who has been taught unionism along with the trade.

The term of apprenticeship in the various building trades varies from two to six years, three and four being the general rule. It is supposed to represent the time necessary for a boy of average ability, under fair circumstances, to learn the trade well enough to command journeyman's wages. In the same trade, however, the term varies in different localities. Thus the term of apprenticeship in carpentry in Tacoma, Washington, is three years, while in many Eastern cities four years are required. In the plumbing trade the term varies from two to six years. This difference varies largely with the class of work done, and the strength of the local body. A long apprentice term is the rule where the union is strongly organized, or the finer grades of work are to be learned; but where

<sup>1</sup> "Constitution of the Brotherhood of Painters, Decorators and Paper-hangers of America, revised 1901" (Lafayette, n. d.), Article 45, sec. 2.

<sup>2</sup> *The Carpenter*, May, 1902, p. 7.

the union is weak, or the work desired is in the main the ordinary type, the tendency is toward a shorter term. Experience has shown that a long apprentice term in any of the building trades tends to defeat the very purpose for which the system is established. Instead of inducing the boy to learn his trade in the prescribed manner, a long term of service causes him either to seek another trade or to take up his chosen one as a non-unionist. Not infrequently in communities where unions are weak or poorly organized, the apprentice wearis of his long service as a beginner receiving small wages, and leaves his employer to seek work on his own responsibility or with non-union men. Such opportunities abound in the building trades.

The most important feature of apprenticeship in the building trades is the limitation upon the number of apprentices, and it is here that the most serious difficulties between the employers and the unions have occurred. In restricting the number of apprentices, local conditions tend to prevail, and no uniform or fixed ratio can be maintained. This is especially true in the building trades, where the union membership changes widely and rapidly. City unions are recruited largely from artisans who have picked up a trade in the surrounding territory. No estimate of this number can be made, and the city union frequently does not allow any apprentice within its jurisdiction. Similarly, in order to prevent an increase of apprentices from the temporary presence of journeymen within its jurisdiction, the local union varies the apprentice ratio. This is well illustrated in the stone cutting industry, where it frequently happens that twenty-five or more journeymen are sent to one locality to prepare stone. Were the ordinary ratio adhered to under such circumstances the number of apprentices received would be greatly increased and, as the journeymen thus engaged remain only until the job in question is completed, the apprentices would be much in excess of the number allowed under normal conditions and really more than the ordinary needs of the local would justify. Furthermore the same cutters are often transferred to the jurisdiction of another local during the period covered by the term of the apprentice, thereby augmenting the basis upon

which additional apprentices are taken. In some cases employers are not permitted to take apprentices until after one or two years' residence within the jurisdiction of the local union.<sup>1</sup>

The apprentice ratio is expressed in the form of so many apprentices to the number of journeymen, the shop, or the contractor, varying even with different unions in the same trade. Thus the common regulation for the granite cutters is one apprentice to every gang or fraction thereof, a gang consisting of thirteen men. But in the State of Oregon, the ratio as fixed by state agreement is one to twelve. In the Milford, N. H., agreement it is one to fourteen, and at Westerly, R. I., it is limited to not more than one to five journeymen. The regulations of the Maryland branch provide: "Firms employing five journeymen five months in the year are allowed one apprentice, two for first gang (thirteen) and one for each additional gang." At Richmond, Va., employers using five journeymen or less are allowed not more than two apprentices, and one additional apprentice for every five additional journeymen regularly employed, and at Jacksonville, Fla., one apprentice is allowed each shop wherein fifty men may be employed. In many cases the ratio is fixed by agreement with individual employers or employers' associations, and may be changed yearly if desired. The wide difference in existing ratios is due largely to variations in the local labor supply. If sufficient workmen be present to carry on the work, no one is anxious to take on new apprentices, and those applying are easily discouraged. At other places employers will not be bothered with apprentices, preferring to employ an extra number of journeymen at a higher rate if there be a sudden demand, and to discharge them when business resumes its normal condition.

Two devices for restricting the number of apprentices figure in the building trades. The first consists in the use of a fixed ratio, which remains the same however great the number of journeymen employed. The second consists of a declining ratio, whereby the proportion of apprentices is reduced as

<sup>1</sup> "Thirty-eighth Report of President and Secretary of Bricklayers and Masons' International Union, December 1, 1903" (North Adams, 1903), p. 205.

the number of journeymen increases. Some unions even fix a hard and fast limit to the number of apprentices, beyond which no additions are allowed. Thus the Stone Cutters provide: "Any branch of this Association shall have the privilege of regulating the number of apprentices in each yard within its jurisdiction, but in no case to exceed one in any yard where less than fifteen men are employed, two where less than one hundred, and in no case to exceed four in any yard."<sup>1</sup> In other of the building trades, where many incompetents have heretofore been admitted and an effort is now being made to raise the standard, apprentices are prohibited altogether for a given period. This is especially true in the plumbing trade, where the free use of the "helper" has produced a large number of journeymen. Article 21 of the constitution for 1901 of the United Association of Journeymen Plumbers, Gas Fitters, Steam Fitters, and Steam Fitters' Helpers of the United States and Canada, contains the following provisions:

SEC. 1. Where locals have an established rule in their cities tending to abolish the apprentice entirely, said locals to be governed by their own council.

SEC. 2. It shall be the duty of the executive board to select by vote from among the locals in such locality or localities as shall appear from the returns in their possession to be in the best position for the abolition of the apprentice or helper. Provided, however, that a period of three months be given the said locals to make the necessary preparations for the enforcement of the edict of the executive board.

SEC. 3. It shall require a majority vote of the executive board for the selection of the locality wherein it is proposed to operate.

SEC. 4. For the purpose of these laws and the proper enforcement, five years shall be deemed as an apprentice term.

SEC. 5. Where there is no established agreement relative to apprentices or where the agreement has expired and a new agreement is being framed, helpers and apprentices shall be entirely abolished.

The mutual obligations of the employer and the apprentice are fixed by the provisions of the contract. In the building trades the parties concerned are usually left free to make their own terms; but a copy of the contract must be filed with the

<sup>1</sup> "Constitution of Journeymen Stone Cutters' Association, adopted 1900" (Washington, n. d.), Article 5, sec. 7.

secretary of the local union. Some unions, however, insist upon determining certain parts of the contract between the employer and apprentice. Thus in 1901 there occurred a bitter contest between the Baltimore Stone Cutters' Union and the employers, over the length of time the apprentice should work. The terms of the apprentice contract are also frequently determined by agreement between the employer and the union.

The common rule in the building trades is that the working day of the apprentice shall begin and end with that of the journeyman, and in no case does the apprentice work less time per day than the journeyman. Even were employers disposed to insist upon longer hours, this would hardly be practicable upon outside work. In trades where inside work is done, employers frequently exact a longer working day of the apprentice, requiring him to remain after the journeymen have finished the day's work, in order to clean the shop or to put aside material and tools. In general, the employer agrees to give the apprentice adequate opportunity to learn the trade. Unless the employer can satisfy the union that an apprentice will have favorable opportunity for learning the trade, he is not permitted to take him into his shop. A New York corporation held certain patents, and making a specialty of building chimneys, applied to the local bricklayers' union for permission to take on an apprentice. The local refused, and referred the matter to the national executive board. This body also refused the company an apprentice, on the ground that the boy would not have a fair opportunity to gain an adequate knowledge of bricklaying. The apprentice covenants to render faithful service, and to remain with his employer for a certain number of years. The union obligates itself to protect both employer and apprentice, and to enable each to fulfill his part of the contract.

During the first years of apprenticeship, the boy's labor is unprofitable, and is usually devoted to odd jobs about the shop, or to rough outside work under the care and instruction of a journeyman or foreman. In some unions, frequently with the plumbers, he is assigned to a particular workman, to whom he must go for all instruction; in others, very often among the stone cutters, he is permitted to ask questions of

any journeyman engaged on the work, and the workman so questioned must devote a reasonable portion of his time to giving the desired information. The opportunities of the apprentice to learn the trade depend largely upon the character and policy of the employer. In some cases the apprentices are neglected; in others the employers, in order to make the boy pay his way as soon as possible, and in the end to become an efficient workman, take personal interest in him, and give him the best advantages. It has long been the practice of the employers of stone cutters in Baltimore, to pay the tuition of their apprentices at the Maryland Institute, so that they may acquire the principles of drawing and sketching.

The progress of the apprentice during his term of service thus depends upon his ability, upon the opportunities given him by the employer, and upon the interest taken in him by the journeymen. Unless a detailed agreement be formulated, the union makes only general rules in these particulars. Usually they are expressed in the form of a charge to the journeyman, the foreman, or the members of the union, to see that the boy has competent instruction and opportunities for advancement. The following paragraph from the rules of the Stone Cutters is typical: "It shall be the imperative duty of shop stewards and members to see that all apprentices in their respective shops are given as good work as they are able to do, in order that they may become skilled workmen, fitted to take their places as journeymen in our midst."<sup>1</sup>

The wage received by the apprentice is always smaller than the minimum union rate for journeymen, and is usually a matter of agreement between the boy and his employer; although some unions insist upon certain provisions in this particular. Where detailed apprentice agreements are formed, the question of wages for the apprentice is included, and in many cases definitely determined, by employer and union. This is generally to the advantage of the apprentice, since the union is able to secure better terms for him than he could for himself. In the joint arbitration agreement made by the

<sup>1</sup> "By-laws of Journeymen Stone Cutters' Association, adopted 1892" (Cincinnati, 1892), Article 5, sec. 8.

Chicago Masons and Builders' Association and the local brick-layers' union, provision is contained that "the minimum wages of an apprentice shall be not less than two hundred and sixty dollars for the first year, three hundred for the second year, three hundred and fifty for the third year, and four hundred for the fourth year, payable semi-monthly."<sup>1</sup> Some employers pay the apprentice a certain wage while serving his term, with an additional sum to be paid upon the completion of the apprenticeship, the purpose being to hold the boy throughout the entire term, and to encourage him in taking advantage of the opportunities offered. This is specially difficult in the building trades, because of the inconstancy of the work and the frequent necessity of moving from place to place in search of employment.

To keep track of boys who leave their employers before finishing a stated term of service, the unions have enacted rigid laws with reference to runaway apprentices. Perhaps no rule, in connection with the apprentice system, is more universal among the building unions. The apprentice must begin and end his term with the same employer, unless prevented by the latter's death or removal. This rule is not effective when the apprentice is the son of a journeyman. A Baltimore employer of stone cutters told the present writer of the following experience: The son of a journeyman was apprenticed to the employer. The father of the boy moved to another city, taking his son with him. The employer appealed to the union to reinstate the apprentice and compel him to comply with the terms of the contract. This the union refused to do, claiming that it was an unwritten law that a journeyman could take his son with him wherever he might go. Should the apprentice leave without just cause, he cannot be received by any local union, nor even be permitted to work with union men. The following regulation of the Painters, Decorators and Paperhangers' Union is typical of the building trades in this regard: "When a boy shall have

<sup>1</sup> "Joint Arbitration Agreement between the Chicago Masons and Builders' Association and the United Order of American Bricklayers and Stone Masons' Union No. 21 of the B. & M. I. U., April 1, 1903, to May 1, 1905" (n. p., n. d.), p. 18.

contracted with an employer to serve a certain number of years he shall on no pretense whatever leave said employer and contract with another, without the full and free consent of said first employer, unless there is just cause, or that such change is made in consequence of death or relinquishment of business by the first employer; any apprentice so leaving shall not be permitted to work under the jurisdiction of any local union in our Brotherhood, but shall be required to return to his employer and serve out his apprenticeship.”<sup>1</sup> The union endeavors to locate faithless apprentices through the “runaway column” in the trade journal; this is especially the case in the stone cutters’, carpenters’, and bricklayers’ unions. The published list contains the name, age, and residence of the delinquent boy, the residence of the employer, a statement of the term that the boy has served, any clue to his possible whereabouts, and a warning to all members of the union to be on the alert to locate him.

Just as the apprentice cannot leave his employer without just cause, so he cannot be summarily discharged, except for incompetency or constant neglect; or at least, if discharged without an explanation satisfactory to the union, he cannot be replaced until the expiration of the time for which he had agreed to serve. A typical rule in this regard is that adopted by the bricklayers of Baltimore: “Any employer who shall, from the want of employment or any other cause than the incompetency of the apprentice to learn the business, transfer or discharge his apprentice, shall be debarred from taking any other apprentice until the time for which the said apprentice was registered to serve has expired.” It is true that the employer retains the final word as to the fitness of the boy to continue at work, and can discharge him at any time; still, in general, the particular journeyman under whose instruction the apprentice has been placed, is regarded as best qualified to speak as to the boy’s ability and conduct, and the discharge of an apprentice is ordinarily upon the journeyman’s recommendation or that of the foreman of the shop.

<sup>1</sup> “Constitution of the Brotherhood of Painters, Decorators and Paper-hangers of America, revised 1901” (Lafayette, 1901), Article 45, sec. 6.

Should the employer suspend business operations during the time the apprentice is serving his term, he is expected to aid the boy in securing another position. As a matter of fact, few employers make any effort in this direction. Some unions endeavor to find new positions for beginners thus displaced, by the issue of permits allowing them to work elsewhere, in order to complete the unfinished term of service.<sup>1</sup> But the apprentice must, unless he has such permit, finish his apprenticeship within the jurisdiction of the union where he was first engaged. A common form of this law among the building trades is that of the Stone Cutters: "If any employer should cease to carry on the stone cutting business, the apprentices in his employ shall be compelled to finish their time under the jurisdiction of the Branch with which they started, provided they can obtain employment." Should the apprentice be unable to obtain employment within the jurisdiction of his union, he is given a "clearance card" to be presented in making application at another place for time to finish his term of service. Such an applicant must give proof of his former connection, and if accepted, must serve such length of time as may be fixed by the union receiving him.<sup>2</sup>

As has been said, the articles of apprenticeship define the term of service, as of so many years. But the length of a service year varies in different unions. In trades where work is limited to certain portions of the calendar year or to particular seasons, such a working period is interpreted as a year in the contract sense. Certain unions require that the apprentice be kept at work during a certain number of months of each year. Thus the apprentice provisions in the agreement between the Chicago Builders' Association and the local unions specify: "The contractor taking an apprentice shall engage to keep him at work for nine consecutive months in each year, and see that during the remaining three months of the year, the apprentice attends school. The apprentice shall,

<sup>1</sup> "Constitution and rules of order of the Bricklayers and Masons' International Union of America, adopted 1902" (North Adams, 1902), Article 13, sec. 2.

<sup>2</sup> "By-laws of the Journeymen Stone Cutters' Association of North America, adopted 1900" (Washington, 1900), Article 5, sec. 4.

during the months of January, February and March each year, attend a technical school acceptable to the joint board, and a certificate that he has done so will be required before he is allowed to work during the year."<sup>1</sup>

Journeymen in the building trades rarely average more than nine months' steady work in the year. The average term of employment for apprentices could not be more, and is often much less. General business conditions play a large part in determining the precise number of months. If the employer has contracts to justify continuous work, the apprentice may be engaged the entire year, assuming no agreement to the contrary; in the event of business depression or during periods of inactivity in building operations, it may be impossible for the employer to fulfill his contract, and the apprentice may be unable to secure work from any other source for more than a few months of the year. Occasionally the apprentice finds some other form of employment when thus temporarily released, or the employer may pay him as though he were actually at work. During periods of business inactivity, journeymen are usually discharged, and apprentices retained, at least up to a certain limit; yet the opposite arrangement is sometimes made.

No uniform rule prevails in regard to testing the apprentice's proficiency. A prominent employer complained to the present writer that boys who had served the four years of apprenticeship required by the local stone cutters, were permitted to join the union, and to receive the same rate of wages as other journeymen, although they had spent but a few months of each year actually practicing the trade. Other unions are more strict in this regard, requiring the apprentice to serve an additional year if found in any wise deficient.<sup>2</sup> In some cases the apprentice is required to present a diploma or a statement of proficiency from his employer.<sup>3</sup> The ques-

<sup>1</sup> "Joint Arbitration Agreement between the Chicago Masons and Builders' Association and the United Order of American Bricklayers and Stone Masons' Union No. 21 of the B. & M. I. U., April 1, 1903. to May 1, 1905" (n. p., n. d.).

<sup>2</sup> *Ib.*, sec. 5.

<sup>3</sup> "Working Code between the Bricklayers and Masons' International

tion of supplying tools to the apprentice is largely one peculiar to the trade. In nearly all of the building trades the journeymen have their own tools, and the apprentice must procure them for himself, though not always at the beginning of the term.

Admission to the union may be regarded as the final stage in apprenticeship. Indeed, apprentices are taught unionism along with the trade, and special inducements are offered to secure their admission to the union within a specified time. The following regulation of the Painters is indicative of the attitude of the building trades toward the apprentice as a prospective member of the union: "Apprentices in the last year of their service shall be admitted free of charge and entitled to a seat in the union without a vote, and be free from all dues and assessments. On completion of their apprenticeship they will be entitled to full benefits and all rights of full membership by conforming to section 1 of this article. No capitation is required on apprentices. But in cities where business agents are employed, local unions may charge one dollar initiation and ten cents per month dues."<sup>1</sup>

The apprentice system, as it now prevails in the building trades, is in many respects unsatisfactory. Side by side with capable mechanics, a great number of incompetents are found in all the trades. This may be attributed to three general causes: (a) the influence of locals in determining apprentice laws; (b) the inadequate training of the apprentice; (c) the disregard of apprentice laws, both by employers and by unions. Each of these influences will be briefly considered:

*Influence of Locals.*—As noted above, the peculiar character of the building trades makes it necessary to leave apprentice laws to local determination. This policy has resulted in a wide range of treatment, in many cases unwise and inadequate. A nicer adjustment of laws to local conditions has been secured, but the power of a strong international union Unions 1, 4, and 5 of Baltimore, Md., for the years 1903 and 1904" (Baltimore n. d.), sec. 63, p. 8.

<sup>1</sup> "Constitution of the Brotherhood of Painters, Decorators and Paperhangers of America, revised 1899" (n. p., n. d.), Article 7, sec. 8.

to enforce them has been lost. Some unions have abolished the whole apprentice system, and others have given the subject little attention. In consequence, in the large, strongly organized unions, elaborate apprentice codes are rigidly observed; in the smaller and weaker unions, a simple law of a few lines contains all that is said in regard to apprentices, and even these provisions are often openly neglected.

*Inadequate Training.*—The provision for the training of the modern apprentice is inadequate. The cause is to be found in the changes that have actually taken place within the building trades. Although not as much affected as many other crafts by the introduction of machinery and the consequent subdivision of the trades into sections, yet important and, in some cases, radical changes have nevertheless been introduced therein. Subdivision has proceeded furthest in carpentry, and even in the stone cutting industry, improved machinery is being rapidly installed. The "planer" is used extensively in large, permanently located shops. It is not confined to smoothing the stone, but is capable of cutting different designs in hard or soft stone, by simply changing the "bit," which can be easily made by the blacksmith. The machine is of great weight, run by steam power, and somewhat expensive. It can be operated by one or two mechanics, and will do the work of eight or ten men. The pneumatic tool operated by compressed air is another labor-saving device of recent date in this trade. Each cutter supplied with one is able to make much more rapid progress in rougher work, with less expenditure of energy, than with the ordinary mallet and chisel. However, it is not to be supposed that these important inventions have in any wise revolutionized the trade. The machines render the best results in the hands of skilled workmen. If the apprentice desires to become a machine operator, and his employer has an opening for him, he is placed on the machine during the last year or six months of his term. Where subdivisions have been developed, the problem of specialization—strongly opposed in all of the trades—has arisen. The workman who can do but one part of the trade is not considered a safe unionist in the same sense as the apprentice who has been taught unionism along

with the trade. The latter is less dependent upon the instruction of others; he changes from one trade to another more readily than the all-round workman who has spent years learning his craft, and he does not share the feeling of respect for skilled work that inspires the true mechanic. In none of the building trades has the term of service for apprentices been reduced because of improved machinery, or subdivision of the trade; on the contrary, these have resulted in an urgent demand for higher standards of workmanship.

A further explanation of the inadequate preparation of the apprentice is found in the nature of modern building operations. The erection of large structures is controlled in the main by corporations. A typical building company of this character maintains offices in the principal cities of the United States, with headquarters in New York City, and competes for business in every section of the country. Superintendents are sent from place to place to take charge of the work secured. Each local arranges its apprentice laws with the management in its own jurisdiction. Should business not justify the continuance of an office in any particular field, it is closed or transferred to another city. One of the chief elements in the award of every contract of size is the time in which it can be executed, and the keenest rivalry exists among the several offices. Every condition is thus unfavorable to the maintenance of apprentice regulations. The manager of the office is constantly seeking new business for his company, and has little concern for the work in progress. The superintendent, sent out by the company to take charge of the work, goes from place to place, as orders are received from headquarters, and is only concerned with the problem of getting the building completed in the shortest time at the least cost. The foreman occupies much the same relation to the superintendent, as the latter to the company; he must keep his men moving or lose his position. The individual journeyman must satisfy his foreman or be discharged, and has little if any time to instruct boys. In fact there is no personal tie or intimate relation between the beginner and those who have charge of the work. The apprentice is simply not wanted: for no large contractor desires boy labor merely because it

can be secured at a low wage. The time consumed in teaching the trade to beginners would cause a delay in work, more expensive than the sum saved on wages. Indeed the apprentice is physically in the way, on a large building where all work must be done in order and on time. Under the indenture system, the contractor was supposed to make a sacrifice during the first part of the apprentice term, as the boy was unable to pay his way. This sacrifice is required to a far greater extent under the present system, and the contractor, hard pressed by competition, is unwilling to make it.

However, much work in the building trades is still done by small contractors. Every city of size has many such, often conducting non-union establishments, and taking on more apprentices than are allowed in union shops. The work performed by this class of contractors is less hurried in time and less precise in quality, and will usually permit of boy labor under the direction of a skilled foreman. Here it is that many learn the trade, and finally become recruits for the union. In fact it is from the number who thus "pick up" the trade, and from those who learn it in small cities and in rural districts, rather than from those who have served a formal term of apprenticeship, that the demands of the larger employers requiring a better class of workmen, and paying the highest wages, are met.

*Disregard of Apprentice Laws.*—Not only is apprentice provision in the building trades insufficient, and apprentice training inadequate; but the apprentice laws nominally in force are often wholly disregarded by both union and employer. The apprentice system, as we have seen, is not esteemed by the union as a thing desirable in itself, but only as a device for carrying out larger policies. The old requirement for union membership was the completion of a full apprentice term; but, in most cases, this is no longer a requisite. If the applicant be able to command the standard rate of wages, he will have little difficulty in gaining admittance to the union, regardless of the way in which he has acquired his skill. In fact many crude workmen in the building trades first join the union, and gain the greater part of their knowledge of the trade afterwards. The present policy of the building unions

is to get every workman at the trade into the union. When an applicant of doubtful ability applies for membership, the question considered is not when and where did he serve his apprenticeship, but will he do less harm to the cause inside or outside of the union; and upon the answer to this question largely depends his acceptance or rejection.

During times of strike, the union has no hesitation in sacrificing any of its requirements for admission and even in offering special inducements to join in order to gain accessions and to win the strike. A business agent of the wood workers' union of Indianapolis stated that not only would such possible "strike-breakers" be received into his union free of cost, but that transportation would be provided, in order that they might go elsewhere to work. It is a well-known fact that of the non-union men gotten together by an employer during a strike, many gradually find their way into the union after difficulties are adjusted. During recent conferences between representatives of the Iron Molders' Union and the National Defense Association, in regard to the apprentice question, it was admitted by both parties that previous to the formation of agreements, the frequency of strikes supplied a large number of workmen. After the agreements went into effect, the number of strikes was greatly reduced, and the supply of workmen from this source was so seriously diminished that the legitimate needs of the trade necessitated an increase in the number of apprentices.

To relieve the evils of the present apprentice system, many who have given thought to the subject have advocated the trade school. But the building trades offer peculiar difficulties to this method of training apprentices. It is only where the industry is such that the employees are collected in large numbers in comparatively few places, that technical instruction may be given in a way to reach all apprentices desiring to take up the trade. Again, the ideal trade schools are those conducted so that the apprentice may receive instruction, and at the same time support himself by his own labor. Night schools, or those open during the least busy season, best fulfill this requirement. But no

amount of purely theoretical training will fully equip a journeyman for practical work, and even the regular apprentice at the trade seldom strikes his gait until a year or so after he has completed a full term of service. The building trades thus possess at least two characteristics which make it difficult to maintain trade schools. In the first place, workmen so engaged are scattered over the entire country, and any system of schools designed to reach the great mass of young men desiring to take up any one of the building trades, would have to be no less extensive. Again, these trades are in existence in the small cities and country districts, which constitute, as has been stated, an important source of labor supply. Only in a few of the large cities, has any attempt been made to establish schools for the apprentices in the building trades, and, with one or two exceptions, these have achieved but a small degree of success. The number of workmen derived from this source is insignificant in comparison with those who learn the trade in other ways. At best, trade schools in the building trades can be regarded only as a single, inadequate source for supplying journeymen, and not as a satisfactory substitute for the apprentice system.

The most promising tendency in the direction of bettering conditions of apprenticeship in the building trades, is found in the increasing use of conciliation in fixing the terms of apprenticeship. With the growth of trade-union agreements, disputes in regard to the apprentice have come to be largely settled by the procedure therein provided. In fact apprentice regulations are, in many cases, formed by joint agreement between employer and union, and not, as formerly, by the union or employer alone. This change has brought about no radical change in the character of the laws themselves. In many cases the old apprentice regulations of the union have become the basis for new ones in the agreement, or they have been wholly accepted by employers. The acceptance of the agreement by employers and unions, tends to concentrate the best thought of both parties upon the subject, with the result that more elaborate and efficient apprentice laws have been enacted and enforced.

Apprentice regulations are seldom the subject of separate

and distinct agreements, but figure in the general agreements embracing all shop rules. Just as the apprentice laws adopted and imposed by the union have been local in extent, so those formed by joint agreement are generally effective only in the jurisdiction of the local concerned. But even this depends largely upon the parties affected. If a local union and a single employer constitute the interested parties, the agreement is effective only within the jurisdiction of that local; but where the agreement is made with an employers' association, as is the case in many large cities, its scope may embrace the entire city and vicinity in which different branches of the same trades are located.

The nature and scope of such formal apprentice agreements in the building trades vary greatly with different localities. Wherever the union has been strong, and has maintained a well-developed apprentice system while acting alone, a detailed apprentice law covering every phase of the apprentice question is usually formulated by agreement. In other localities, only that particular phase of the apprentice question which has been the source of continued trouble is provided for in the agreement. For example, the agreement between Bricklayers' Union No. 4 of Missouri and the Contractors' Association contains the single provision that all apprentices shall be governed by the laws of the Union.<sup>1</sup> An agreement at Columbus, Ohio, between the local stone masons' union and the Master Stone Masons' Association has but one short article concerning the apprentice, fixing the ratio of one apprentice to six journeymen, and the term of service at three years.<sup>2</sup> In fact, the typical form of apprentice agreement among the smaller unions of the building trades, is either concerned with regulating the number of apprentices that may be taken, or providing some course of training for beginners. In agreements of this nature, little if any provision is made for enforcing the apprentice laws, and as a rule they are rarely

<sup>1</sup> "Thirty-seventh Annual Report of the President and Secretary of the Bricklayers and Masons' International Union, December 1, 1902" (North Adams, 1902), p. 22.

<sup>2</sup> *Ib.*, p. 23.

more effective than the apprentice regulations formerly maintained by the union. Even in such formal agreements, no uniformity as to terms exists among the locals. In the granite cutting industry, the joint agreement of 1900 at Rocklin, Cal., provided for a ratio of one apprentice to eight journeymen. At Waldboro, Me., for the same year, one apprentice was allowed for every ten journeymen cutters. At Vinal Haven, Me., one apprentice to twelve journeymen was permitted, while the agreement for 1902 at Milford, N. H., allowed only one apprentice to each fourteen cutters. Such variations occur to a much greater extent in the limitation of apprentices; but even as regards age qualifications or methods of training beginners, there is no uniformity among the local unions.

In the more elaborate apprentice agreements found in some large cities, all regulations for beginners at the trade are prepared by joint arbitration boards. The apprentice systems in vogue in New York City and Chicago cover every phase of the apprentice question, even to the smallest detail. The agreement between the Masons' and Builders' Association of Chicago and the local bricklayers and stone masons' union, represents one of the best systems of apprentice laws now in force among the building trades.<sup>1</sup> It provides that apprentices shall not be prohibited by any union, and that they shall not be amenable to union rules, but be at all times under control of the employer, subject to the rules of the joint arbitration board. In addition to the usual features of apprentice agreements, as to ratio, age, wages and probation term, an important provision is the requirement of all apprentices to attend school during certain months of the year. All contractors taking on apprentices are obliged to keep them at work for nine consecutive months in each year. During the months of January, February and March, the apprentice must attend a technical school acceptable to the joint board. As evidence that he has fulfilled this requirement the apprentice is required to present a certificate

<sup>1</sup> "Joint Arbitration Agreement between the Chicago Masons and Builders' Association and the United Order of American Bricklayers and Stone Masons' Union No. 21 of the B. & M. I. U., April 1, 1903, to May 1, 1905" (n. p., n. d.).

from the school before he is permitted to begin his work. For every day the apprentice is tardy or guilty of disorderly conduct at school, he must serve an additional day of apprenticeship without pay. For each case of failure to attend school, except for good excuse, two days' service without pay is added to his term of apprenticeship. Any contractor who prevents his apprentice from attending school during the months mentioned is fined five dollars per day for each day. Likewise, any member working on any building during said months with an apprentice is also fined five dollars for each day so working. Furthermore any contractor who fails to provide employment for his apprentice, or does not keep him at school, shall pay him the same as though he were at work or at school. A further important feature of the agreement is the provision for enforcing the apprentice laws adopted. When a grievance arises between an apprentice, an employer, or a journeyman, the point at issue is submitted in writing to the presidents of both organizations. Should they be unable to agree, or in case either party is dissatisfied with the decision, the question is then submitted to the joint arbitration board at their next meeting. In case this body is unable to reach a decision, an umpire is called in to sit with the board, with power to cast the deciding vote. Both organizations have agreed to compel their members to comply with the apprentice rules as jointly agreed upon and adopted.

Much of the poor workmanship prevailing in many of the building trades is due to the fact that the employer and the union have been in constant dispute over apprentice regulations. The beginner has been the sufferer in these struggles. With the growth of trade agreements, this disturbing factor has been reduced, and in many places a strong effort is now being made by the parties immediately interested to provide and enforce an efficient course of training for all apprentices.



X

TRADE-UNION RULES IN THE BUILDING  
TRADES

BY

SOLOMON BLUM



## X

## TRADE-UNION RULES IN THE BUILDING TRADES

AMONG opponents of trade unions no assertion is more often made than that trade unions interfere with the business of the employer, and curtail his freedom in the management of his own affairs. The right of trade unions to participate in the adjustment of wages and hours is admitted, and although specific demands are fiercely contested, the general principle that men may combine to increase their wages and decrease the hours of their work is not attacked. But when the union does not stop with direct demands for increased wages, but attempts to regulate the ratio of apprentices to journeymen, to regulate or prohibit the use of certain machines, to restrict the output per man or to enforce the "closed shop"—these trade rules are considered a violation of a right which the employer possesses by virtue of his position as an employer. Such rules are opposed upon an entirely different principle from that underlying the opposition to the regulation of wages by the union. A line has been crossed which, according to this view, separates the justifiable from the unjustifiable activities of the union.

In a discussion of the regulations which American trade unions seek to impose upon industrial employment, the group known as the building trades is particularly important. Not only have their trade rules been brought more prominently before the public by strikes and lockouts; but in quality they are sharply differentiated from other crafts. They comprise probably the largest "sympathetic group" in existence—made so by community of interests. They are, moreover, the most decentralized of crafts, and this decentralization gives a peculiar complexion to their rules and makes a study of them peculiarly difficult. In such strongly centralized unions as the Typographical, the Iron Molders', and the Glass Bottle Blowers' there is a certain uniformity in local regulations, and

what is more important a uniformity of interpretation. In the building trades the locals are relatively more powerful than the national union, and pursue their own destinies with comparatively little interference from the central bodies. As a result we find a great variety of interpretations of these rules. The multiplicity of independent local officials, many without necessary qualifications, is responsible for frequent disturbances, with resultant uncertainty to business and sometimes with actual display of violence. Local officials, taken as a class, are not of as high character, either intellectually or otherwise, as national officers. In consequence, strikes for trivial reasons, with the attendant charges of corruption and violence, are more frequent.

The locals existed long before the national bodies. National organization was effected by the Bricklayers and Masons in 1865, by the Carpenters in 1881, by the Plumbers in 1882, by the Painters in 1887, and by the Electricians in 1891. The dates of organization of other representative building-trade unions are: Stone Cutters, 1887; Tile Layers and Helpers, 1897; Wood, Wire, and Metal Lathers, 1899; Elevator Constructors, 1901; Marble Workers, 1901; Hod Carriers and Building Laborers, 1903. That the necessity for centralization in the building trades is comparatively slight is shown by the reaction against national unionism in New York now in progress, and by the frequent appearance in many large cities of unaffiliated locals. The late formation of the national organizations is one reason for the decentralization which exists therein, and is in turn due to the fact that the commodity produced by a workingman in the building trades cannot be transported. It is only when every unit of the commodity produced comes into competition with every other unit that the necessity for equality of wages and working conditions arises. A bricklayer in San Francisco is not appreciably affected by a bricklayer in New York, and the greatest diversity in working conditions may prevail in the two localities. The movement of men to and from different points is a factor which tends to equalize conditions; but commodities move more freely than men, and when demands are being made the unions are better able to keep men out of

the locality. It is because of these peculiarities that the building trades with weak central unions have been able to secure higher wages, shorter hours of work, and improved working conditions, and throughout to attain through locals what in other trades would be done through nationals.

Before proceeding to examine the rules themselves, some brief account of their enforcement is necessary. How, in other words, do the unions make their rules effective? The most important officer for this purpose is the business agent or walking delegate. He is practically the field agent of the local union. He investigates and attempts to adjust infractions of rules, examines working cards to prevent the employment of "scab" workmen, and sees that the wage-scale is not cut. In New York before the formation of the present Employers' Association, most of the building trades' delegates were empowered to call strikes, and through the agency of the board of walking delegates with which individual delegates were affiliated to order sympathetic strikes. This excessive power resulted in a disgraceful reign of corruption and violence, which in the end broke up the board. Under the present plan of arbitration the authority of the business agent to call strikes and with it a great part of his power has been taken from him.<sup>1</sup> In Chicago before the lockout of 1900, the business agent was not only at liberty to visit the job where men were working, but he could with the consent of the board of business agents actually call a strike. So serious was his interference with business that in every subsequent agreement signed in Chicago between the trades in the employers' association and the unions, provision was made that no person except the employer or his representative should have the right to give orders during working hours to the men on the building.<sup>2</sup> In the Chicago sheet-metal workers' agreement (1903) the same rule appears, but it is nullified by allowing

<sup>1</sup> "Arbitration Plan, Building Trades Employers' Association, 1903" (New York, 1904), sec. 2. But see sec. 30, "By-laws of District Council of Carpenters, 1903" (New York, n. d.).

<sup>2</sup> We shall have occasion to refer to the rules of the Chicago Employers' Association which appear in every agreement between the unions and the employers' association. They are here given in full:

the business agent to transact during the hours of work "whatever legitimate business he may have to perform." The business agent, despite all rules to the contrary, visits the job and oversees the men while at work. Even where shorn of much of his power by the abolition of the boards through which he formerly worked, as in New York and Chicago, he is still the most important member of the locals. He is the paid officer of the union who comes into closest touch with the journeymen and has the greatest practical knowledge of local working conditions.

There are two other union officials whose duty it is to maintain standard working conditions,—the steward and the foreman. The steward is usually elected by the men from among their number immediately upon starting work, but receives no extra compensation for his services. He examines the working cards of members, reports infractions of the rules to the business agent, and can even in certain cases, examine the pay of members to see that they are not receiving below the minimum rate. The steward is thus the representative of the journeymen and a lieutenant of the business agent. The method of choosing the steward differs. Occasionally, as in the Cleveland carpenters' union, he is selected by the business agent. In other cases no deliberate selection is made, but the first union man employed acts as steward. Sometimes, as among the New York carpenters, each man acts as steward in turn. As a matter of fact, the rules regarding the steward are lax. Some contractors really do not know who is steward,

1. That there shall be no limitation as to the amount of work a man shall perform during his working day.
2. That there shall be no restriction of the use of any machinery or tools.
3. That there shall be no restriction of the use of any manufactured material, except prison made.
4. That no person shall have the right to interfere with the workmen during working hours.
5. That the use of apprentices shall not be prohibited.
6. That the foreman shall be the agent of the employer.
7. That all workmen are at liberty to work for whomsoever they see fit.
8. That all employers are at liberty to employ and discharge whomsoever they see fit.

and the local frequently pays no attention to the man who is to act in that capacity. On the part of the men the position of steward is regarded as irksome. Added responsibility with no additional pay, together with the common feeling that the steward is likely to be the first man discharged in case of scarcity of work, makes the position an unwelcome honor. Of late more attention has been given to protecting the steward. Rules similar to this of the carpenters of New York are common: "If a steward should be victimized for attending to his duties the borough committee shall investigate the case and take such steps as they find proper."

The rules regarding the foreman are entirely local regulations. But, in general, a foreman working at a craft is considered a journeyman and whenever the unions are able to enforce the closed shop, the non-union foreman or superintendent is forbidden to work at the trade. If his position be purely directive he is not compelled to join the union. The foreman is the representative of the employer and is supposed to take care of his interests. His position thus is complicated by a divided allegiance, for while receiving from the employer additional pay for this service, he is still a member of the union. There is much complaint of this on the part of certain contractors, who assert with some justice that it is impossible for the foreman to be a true representative of the employers' interests if his associates, habits, and sympathies are union. On the other hand, the unions—in particular those which enforce the closed shop—can see no reason why an exception should be made in the case of a journeyman simply because he has the luck or the ability to be chosen foreman by his employer. They also argue that nothing coming properly within the scope of the foreman's duties can bring him in conflict either with the union or the employer. The foreman sees to it that the men start and stop work at the proper time, and that the provisions of the agreement are not violated by them. In nearly all agreements made since 1901 in Chicago it is provided: "The foreman—if a union man—shall not be subject to the rules of his union while acting as foreman, and no fines shall be entered against him by his union for any cause whatever, while acting in such

capacity." It is extremely doubtful if this law can be enforced by the contractors, as they have no control over the internal workings of the union.

The chief trade rules enforced in the building trades fall into four classes:

1. Rules to maintain the standard rate of wages.
2. Rules to restrict or limit output.
3. Rules to govern trade jurisdiction.
4. Rules to maintain union conditions of work.

(1) The theory of the standard or minimum rate of wages and the principles which should determine it, need not concern us here. But apart from the rate itself, certain rules are enforced in the building trades in order to maintain the rate. The wage scales in the building trades are drawn in great detail, covering many minor points. In all the trades, the provision for the payment of a certain minimum amount per hour is supplemented either by an absolute restriction of overtime work, except in emergencies, or by a provision that time and a half, or double time, shall be paid for all work done before or after the regular hours. A common provision in local constitutions and agreements is that the same pay be given to the journeyman engaged upon out-of-town work that he would receive if he worked in his home locality. There are also provisions for the payment of mileage and board and for the payment of car-fare in going to and from the job;<sup>1</sup> in the case of work done in the local jurisdiction, the time spent in going from job to job is included in the hours of work.

Certain of the unions limit the number of employers who may do journeyman's work, on the ground that it would be impossible to maintain the standard rate of wages in a craft, if journeymen were allowed, nominally as employers, to work at any price. In the building trades little or no capital is required to start in a small way as a contractor; and under-bidding on small jobs would threaten the standard rate. Mr. Gubbins of the Bricklayers' and Masons' Union stated before

<sup>1</sup> These provisions are found in numerous local agreements, and in the international agreement of the Elevator Constructors (sec. 8).

the Industrial Commission: "We have to limit a firm to one member working on any one building. If we do not, ten men could get together and form a firm and those ten men could work. The general contractor takes a job cheap and he loses. If those ten men took a job cheap they would not make \$3 a day where the regular rate is four. We have to guard against that." The number of journeymen members of a firm allowed among the Bricklayers and Masons is two. The Plumbers are more drastic in requiring any member who starts in business for himself to resign.<sup>1</sup> The Carpenters' Union provides more liberally that "a member can remain a contractor or enter into the business of contracting, provided he pays the scale of wages, obeys trade rules, and hires none but union men and complies with the constitution and *does not do lump-work, piece-work, and sub-contract*; and further provided that he is not and does not become a member of any contractors' or employers' union."<sup>2</sup> The Brotherhood of Painters, Decorators and Paper Hangers leave it optional with the locals to accept or reject contractors.<sup>3</sup>

The provisions prohibiting "lumping" and sub-contracting are closely allied to the rules limiting the number of employers who may work at the trade. Either prohibition would be ineffective without the other. The terms "lumper" and "sub-contractor" are used interchangeably to describe the man who takes a part of the work from the contractor, and agrees to do this work for a specified sum and in a certain time. The unions fear that contracts of this kind will serve as a subterfuge in cutting the wage scale and in violating the union's rules. The sub-contractors are likely to be small employers of little standing in the trade, or a group of journeymen who have formed a permanent or temporary partnership, and who intend to work the job themselves, and hope to make an added profit by the violation of union rules. The "lumper" is, thus, frequently an irresponsible party who

<sup>1</sup> "Constitution of the United Association of Plumbers, 1902" (Chicago, n. d.), Article 2, sec. 7.

<sup>2</sup> "Constitution, 1903" (Indianapolis, n. d.), p. 43.

<sup>3</sup> "Constitution of the Painters, Decorators and Paper Hangers, 1904" (Lafayette, n. d.), sec. 40.

feels no obligation to the union, and who, because of his weak position in the trade, has little to lose by the union's enmity. Wherever "lumping" is largely practised, it is likely to end in piece-work. In strongly unionized cities, where the union's good will is an asset to be prized by the contractor, the sub-contract system is becoming obsolete. But where the unions are weak and where the contractors are small and have little capital, sub-contracting is still practised, and, unless restricted, might result in the destruction of collective bargaining, and a return to a wage scale based upon individual needs and peculiarities.

The objection most frequently heard against sub-contracting is that the "lumper" is a piece-worker. With nothing but his labor, he contracts to do a certain amount of work for a specified sum in a certain time with slight regard for the standard rate in the craft and in direct violation of the well-nigh universal union rule against piece-work. This opposition to a system of payment, which on its face seems to be the more equitable, based as it is upon the productivity of the individual artisan, has its origin in the fear that payment by the piece will result in the gradual reduction of the piece wage, and that in the end the fast worker will receive no more than he formerly obtained on a time wage, while the slower workman will receive considerably less. If the union is strong enough to maintain a minimum rate per hour, there seems to be no reason why it should not be strong enough to maintain a minimum wage per piece. The piece-work system is feared also, because it is believed that it will cause the men to work so rapidly that there will not be enough work to go around. The general introduction of piece-work in the building trades is impracticable. An equitable piece-work system must be based upon uniformity of product. In bottle-blowing, or factory work, where the men do uniform work, and where the product does not vary, or varies slightly, piece payment may be the method employed; but in the building trades, where the products vary with every building, where unforeseen difficulties arise at every step, piece-work is impracticable. The piece-payment system is not unknown in the building trades, but it is chiefly used in mills employ-

ing wood workers, and even here it is opposed by the union. It is expressly stated in the constitution and by-laws (1903) of the district council of New York City of the Brotherhood of Painters and Decorators that paper hangers shall be paid by the piece.

The unions' rules relating to the helper are also chiefly intended to maintain the standard rate. The helper must not be confounded with the apprentice. The latter is in training to become a journeyman. He uses journeymen's tools; he is permitted, if efficient, to do journeyman's work, and he is under the supervision of the journeymen's union. The helper or laborer except in a few of the trades is not in training; he is not allowed to use journeymen's tools, and in most cases he belongs to an independent union. As his name implies, he helps the journeyman; he is supposed to do the unskilled work and to lend a hand when required to do so. It often happens that the helper knows as much of a journeyman's work as the journeyman himself. Since the helper receives a lower wage than the journeyman, the employer usually wishes to hire more helpers and less journeymen. The unions, in order to maintain the standard rate, fix the number of helpers a journeyman may have. The following clause found in the Dubuque steam fitters' agreement (1903) is typical: "The journeyman steam-fitter may use a helper who has worked at the trade any length of time, but he cannot use more than one helper or pipe handler. Helpers shall do no jobbing or other work except under the supervision of a journeyman steam fitter. Any previous offense shall bar him from being further employed in any union shop." An exception to the general prohibition of the helper or laborer doing journeyman's work, appears in the agreement of the Chicago Masons' and Builders' Association with the hod carriers and building laborers' union. "A laborer has the right to work in any other trade or work he sees fit, for any employer who will give him work, it being understood that he shall demand, and receive, the wages agreed upon in this joint arbitration agreement and working rules under all circumstances." This is in line with the open-shop idea in Chicago, but it is only in rare instances that a hod carrier becomes a journeyman.

Certain of the unions, such as the United Association of Journeymen Plumbers, Gas Fitters and Steam Fitters and Helpers of the United States and Canada, and the National Association of Steam Fitters and Helpers of America include helpers in their organization. In these cases the helpers are practically apprentices, and the separate helpers' locals are apprentices' unions. Thus the Plumbers provide: "Steam or Gas Fitters' Helpers applying for membership in a steam or gas fitters' local shall pass a satisfactory examination as steam or gas fitter before they can become eligible to membership."<sup>1</sup> The close relationship between the helper and the journeyman in such unions is shown by the following provision of the Plumbers: "In cities where a local union of steam fitters or steam fitters' helpers exists, steam fitters going on out of town work shall work with no helpers except those who belong to the United Association."<sup>2</sup> The rival organization, the National Association, has a similar rule, "In towns and cities where the fitters and helpers are organized, fitters shall work with none but union helpers, and helpers shall work with none but union fitters, under a penalty to be decided on by the locals concerned." The alliance between the helpers and journeymen in these trades is closer than in the other trades where the helpers or laborers have distinct organizations. The disinclination of the New York Employers' Association to give representation to the unskilled trades threatened for this reason at one time to defeat the arbitration plan. These unions do not ordinarily forbid the helper to do journeyman's work or to handle journeyman's tools, yet in some locals this rule is found. In the Portsmouth, N. H., agreement provision is made that "helpers shall not in any case have use of tools."

Among the rules intended to maintain the standard rate, perhaps the one open to severest criticism is that of the Stone Cutters forbidding the transportation of cut stone from one place to another except where the shipment is permitted by

<sup>1</sup> "Constitution of Plumbers, 1902" (Chicago, n. d.), Article 26.

<sup>2</sup> *Ib.*, Article 25, sec. 18.

the union into whose jurisdiction the stone is shipped.<sup>1</sup> This rule, narrow in its conception, was originally intended to prevent the use of "scab" cut stone. In practice it acts as a form of protective tariff insuring to each union a kind of local monopoly. Owing to the introduction of machinery the conditions of labor vary greatly in the stone cutting industry, probably more than in any other craft in the building trades. The result of the rule, if effective, would be to form a series of non-competing groups, to increase the cost of labor and consequently of cut stone. Thus, recently, an order was given to a Baltimore contractor for stone to be shipped to Washington. While the contract was being executed the Washington local refused to receive the Baltimore stone. The result was a forced lockout of the Baltimore stone cutters, although there was no grievance in Baltimore. As we shall see hereafter, the Stone Cutters' convention of 1904 has somewhat modified this rule.

Considered in another aspect, this rule may be classed among those which are intended to "make work." It is evident that those places having superior machine equipment or better shipping facilities are, by the enforcement of the rule, prevented from utilizing their economic advantages. The total amount of work to be done is thus increased, and work is made for the men in less favored localities. The general result is that the concentration of the industry, favored by the machine, is hindered by union regulation.

(2) Rules to restrict the output or "make work" include restrictions on the use of machinery, of improved tools, of certain manufactured products, and more general rules, which in words, or by implication, restrict the output of the individual worker. The desire to restrict the output arises from the very prevalent theory among trade unionists that the less work a man does the more there will be to do. This philosophy is embodied in the proverb, "Whether you work by the piece or work by the day, decreasing the hours increases the pay." The extent to which this theory is held appears in

<sup>1</sup> "Constitution of Journeymen Stone Cutters' Association, 1903" (Washington, n. d.), Article 12, sec. 1.

the letters from trade unionists printed in labor papers. In the *Plumbers' Journal* for April, 1899, a writer commenting on the result of the strike in Chicago says, "The half-holiday no doubt will be a great benefit in giving work to some of our idle brothers. Personally I consider it of greater value than the raise of wages." In the same article overtime work is opposed because of the abundance of men without jobs who should work during the regular working hours.

It is only in rare instances in the building trades, however, that we find the union making a specific stint of work the rule for its members. Though it is often asserted by contractors that members of the union do not work to their full capacity, it is by no means a universal complaint, even among contractors in the same trade and in the same locality. The unionist generally declares that he is willing to do a fair day's work, and denies that it is a part of his unionism to loaf. He does, however, object to the so-called "rusher"—a man who does more than an average day's work with the express purpose of setting a pace. It would not be possible to state that there is no loafing in order to make work, or that in exceptional cases a man may not be discriminated against because of excessive skill; but the direct limitation of the output is not an issue among the contractors in comparison with certain other rules in the crafts. In the New York agreement of the plasterers, certain amounts of work are stated as a fair day's work, but so liberal are these allowances that the contractors would be perfectly satisfied if the plasterers were able to do the amount of work specified. In Chicago, prior to the lock-out of 1900, there were direct limitations on the output among several of the unions, particularly the plumbers, but since the unions' defeat in that struggle, these limitations have been removed.

While it cannot be said that the unions make it a rule to limit by a direct and formal stint the amount of work to be done, there are certain rules which clearly limit production. The rule of the Bricklayers and Masons against putting up the line more than one row at a time except in cases of obstruction, the rule against laying bricks with more than one hand, or spreading mortar with any implement except a trowel are

rules which restrict the number of bricks that can be laid per hour; but they cause little complaint, and are justified by both contractor and journeyman as requisite for the careful laying of bricks and placing of stone. The Plumbers forbid the use of the bicycle in going from job to job because a man can go more quickly in that manner than on the cars or by walking.<sup>1</sup> The Plumbers further attempt to limit the output in a somewhat more important manner. Their constitution contains this admonition, "Realizing that at the present time the work of our trade is being gradually taken from us by reason of certain classes of manufactured articles, it is a necessity that we should take some united steps to stop the use of such plumbing goods as we deem injurious to our trade [here follows a list of manufactured articles] and we further recommend that all members advocate the use of iron sewerage exclusively in the construction of all buildings in their respective localities, believing that it will benefit the health of the community and create a demand for more skilled labor."<sup>2</sup>

The regulation of machinery is left in most cases to the local unions; but among the stone cutters, where the "planer" has displaced many men, there are vigorous national rules restricting its use. Until 1904, the machine policy of the national union was not clearly defined.<sup>3</sup> The rule, referred to in another connection, which forbids the transportation of cut stone from one place to another unless the interchange is mutually agreeable, was utilized as one of the methods employed in checking the use of machine-cut stone. The locals were required to make every effort possible to prevent the introduction of the planers in a jurisdiction where planers had not yet been introduced; but since the absolute prohibition of the planer was impossible, the locals might allow the use of the planer in their locality. All planers were to be operated by stone cutters, and the planer was not permitted to be used more than the hours per day worked by the stone cutters in that local. The same policy of restriction was used against the stone-pick. Its use was to be discouraged in every manner

<sup>1</sup> "Constitution, 1902" (Chicago, n. d.), Article 23, sec. 1.

<sup>2</sup> *Ib.*, Article 22, sec. 1.

<sup>3</sup> "Constitution, 1903" (Washington, n. d.), Article 12, secs. 1-4.

and in no case should the pick be used on any stone that was to be shipped to any place where the pick was not used.<sup>1</sup>

In the convention of 1904 the question of the planer and the kindred subject, the importation of cut stone, was the main topic discussed. The debate showed that the restriction of the planer had not been successful, and brought out clearly the antagonism in interests between the shipping points and the non-shipping points. The smaller locals feared that if they had no power to restrict the shipping of cut stone into their jurisdictions, they would be forced out of existence. The rules passed at this convention were designed chiefly to control the planer where it had been introduced. The locals are required to rigidly enforce the rule that all planers within the jurisdiction of the union shall be operated by members of the union. The machine is to run only eight hours per day, but in case of necessity a double shift will be allowed. This is a concession over the previous rule, which did not provide for a double shift. Planer men must receive the same rate of pay as other members of the local. Furthermore, members of the Association are prohibited from cutting, fitting, or setting any machine-cut stone unless the machines are operated and controlled by members of the Association. The greatest modification, however, was made in the rules governing the transportation of cut stone. In place of the blanket prohibition against shipping cut stone except where the interchange was mutually agreeable, the present law provides that cut stone may be shipped "from branches where planers are operated by stone cutters, and where wages and hours are equal at the time the contract was let. But in no case shall planer-cut stone be shipped into the jurisdiction of any branch that has succeeded in keeping the planer out of their jurisdiction." This rule makes absolute the prohibition of the importation of planer-cut stone into jurisdictions where it has not been introduced, but it takes away from the locals the arbitrary power to place an embargo upon any stone they see fit. Hand-cut stone also may be shipped between branches, wages and hours being equal.

<sup>1</sup> "By-laws, 1903" (Washington, n. d.), Article 14.

The locals also have power to add restrictive rules. Certain locals are content with the constitutional provision that the union shall control the machine; other locals, in an attempt to directly limit the displacement of labor, require that a certain number of journeymen shall be employed for each machine used. While the number of men displaced varies with the size of the machine and with the quality of the stone, the limits of displacement are from eight to fourteen men per machine. In Salt Lake City twelve men must be employed on a double planer. This is the largest number of journeymen per machine of which there is record. In New York five stone cutters must be employed for each man employed at the planing machine, and when five stone cutters are discharged or suspended one planer hand must also be discharged or suspended, and so on till a final suspension of work.

The policy of restriction has not been successful. While it unquestionably has delayed the displacement due to the use of the machine, it has also caused a serious secession of members from the Union to a rival organization, which does not restrict the use of the machine. The policy of the Stone Cutters does not take into account the readiness with which other material may be substituted for stone. Brick, tile, terra-cotta, etc., come into close competition with stone, and it is only by making stone cheap that its use in buildings can be increased. The planing machine tends to extend the use of stone by reducing its cost. Furthermore, the policy of the Union is not regarded as a temporary experiment, designed to enable the craft to pass without unnecessary hardship to the machine stage. If the restriction of the planer gave evidence of being only a temporary affair, if a decrease of apprentices were provided for, or if admission into the craft had been made more difficult, so as to make the membership correspond in some manner, even if roughly, with the new requirements of the craft, the machine policy of the Stone Cutters might be in some degree justified. But on the contrary, the stone cutting trade faces more and more the inroads of machinery and offers only a cumbrous and ineffectual opposition to the inevitable. The opposition of the employers and internal dissension are the results.

(3) Every union in the building trades attempts to define by "jurisdictional rules" the kind of work over which it claims authority. It frequently happens that the work of one craft encroaches upon the work of another or that a new union attempts to take the field against an older one. Thus serious disputes arise, for if a union once succeeds in gaining a particular class of work for its craft, it will make every effort to keep it. These disputes have grown both in complexity and number in recent years, until in certain localities and trades they have become the most important and most difficult of all union problems. The great increase in the number of jurisdictional disputes is the direct outcome of the radical changes in the methods of constructing large buildings. New materials are being used which require specialists; comparatively unimportant trades of a score of years ago are now of the utmost importance; work is being performed in factory and yard which formerly was done on the building, and machinery is doing work that was formerly done by hand. With this specialization in industry new unions have come into existence, and old unions have been obliged to adjust their boundaries to the changing conditions.

Up to the present the unions have not met the problems satisfactorily, and it is not too much to say that no union problem seems further from a permanent solution than that of inter-union relations. The most obvious method of settling jurisdictional difficulties is for some central body with power to enforce its verdict to judge between the disputants. The American Federation of Labor and the Building Trades Alliance have attempted to do this, with only partial success; for however just their decisions may be, they have not the power to force a recalcitrant union to obey. Very frequently the disputes are not brought before central bodies but are left to local settlement. In the hands of an unscrupulous business agent, they frequently become the pretext for calling strikes. One of the main purposes in the formation of the present New York Employers' Association was the settlement of local jurisdiction disputes, and it is significant that by far the most important and most numerous cases brought before the board of arbitration have been cases of jurisdiction.

The important jurisdiction dispute between the United Brotherhood of Carpenters and Joiners and the Amalgamated Woodworkers will serve as an illustration of a jurisdictional dispute occasioned by the transfer of work from the building to a factory. The United Brotherhood claims all work on materials used in buildings, whether done in the shop or at the building. The Woodworkers, on the other hand, assert that their craft is distinct from the Carpenters and that this justifies them in claiming the shop work for themselves. With the increasing use of machine-made materials the question became more and more important to both organizations.

In 1894 the Carpenters entered into a jurisdictional agreement with the Machine Woodworkers. After the amalgamation of the Furniture Workers' Union and the Machine Woodworkers into the Amalgamated Woodworkers, the agreement was abrogated by the United Brotherhood. At the convention of the American Federation of Labor in 1901 the Carpenters charged that woodworkers in Boston were doing carpenters' work; and it was urged that if this were not corrected the charter of the Amalgamated Woodworkers should be taken away. No action was taken at the time, but at the convention of 1902, the executive council brought in a report in which the application of the United Brotherhood was denied and the position of the two unions clearly set forth. The report of the committee advised a conference between the two organizations and it was agreed that committees from both organizations should meet on March 1, 1903. An arbitrator was chosen and the well-known Downey decision gave the work in dispute to the Amalgamated Woodworkers. The United Brotherhood refused to accept the decision of the arbitrator and took an appeal to the convention of 1903. The United Brotherhood also demanded that the label of the Amalgamated Woodworkers be taken away. The appeal of the United Brotherhood was denied and the Downey decision affirmed. While the decision of the American Federation of Labor is definite, it is not probable that it will have much result. Certainly the feeling engendered is as high now as ever, and the determination of the Carpenters to maintain their position seems as strong as ever.

The jurisdictional disputes are most frequently fights against the breaking up of an old craft into new ones. The dispute of the United Association of Plumbers and the National Association of Steam Fitters is a dispute of this kind. The Steam Fitters came into existence with the introduction of steam heating into houses and the use of galvanized iron piping. The Plumbers claim jurisdiction over all piping, whether iron or lead. The Steam Fitters insist that working with iron piping is not plumbers' work, that it requires special training and forms a distinct craft.

Both the National Association and the United Association belong to the American Federation of Labor, and the settlement of their disputes was referred to that organization. In the Kansas City convention of the American Federation of Labor in 1898 the National Association was given a charter. The committee to which the matter was referred decided, despite the opposition of the Plumbers, that the two crafts were distinct; but the Plumbers were allowed to keep all the steam fitters already affiliated with them—without any interference on the part of the Steam Fitters. This decision of the Federation of Labor did not settle the dispute and there has since been constant bickering between the two unions. The Plumbers have not ceased trying to extend their organization among the Steam Fitters, nor have the Steam Fitters hesitated to draw members from the Plumbers' Union. In 1901 the Plumbers asked for the revocation of the charter of the Steam Fitters, but their request was refused. Between 1899 and 1901 the Steam Fitters added to their original name the words "General Pipe Fitters." This extension of the jurisdiction was not allowed by the Federation and the name was not used. After a conference between the two associations at which no understanding was reached, three referees were chosen from the executive council of the American Federation of Labor—Samuel Gompers, Thomas I. Kidd, and John B. Lennon. It was decided that the Steam Fitters should give up all the plumbers who had joined their organization, under penalty of having their charter revoked. The Steam Fitters claimed that all its members joined voluntarily and not on account of coercion. At the New Orleans convention, 1902, it

was decided to submit the matter in dispute to an arbitration committee, composed of members of the two associations and a representative of the American Federation of Labor. Mr. Gompers chose as that representative Mr. Frank L. Rist. After a protracted discussion, Mr. Rist gave the following decision: "In my opinion the strict recognition of the autonomy of the trade of plumbing, gas fitting, hot water fitting, and pipe fitting in general can best be preserved and the interests of all concerned by a flat recognition. Therefore I advise that the National Association accept the offer of the United Association as set forth as before indicated. My decision is in favor of merging both organizations into one body and jurisdiction." In this case as in that of the Carpenters and Woodworkers the decision has not been obeyed and the contest is still bitter.

The recent history of the Bricklayers' and Masons' Union shows how the change in building conditions and the consequent jurisdictional disputes may change the traditional policy of a union. This union is probably the best organized and most independent of the unions in the building trades. It has felt strong enough in the past to isolate itself from the general movements and alliances with which most of the other trades are affiliated. Within the last five years, however, a strong sentiment in favor of joining the American Federation of Labor has grown up within the Union. This movement, which is being fostered by the most influential members of the Union, is largely due to the fact that other trades are encroaching upon the work of the bricklayers and masons and the necessity is felt of an alliance with an organization which has some influence, even if slight, in settling jurisdictional disputes. A large part of the Union believes that the policy of isolation is inadequate to the rapidly changing conditions of the trade. New materials and processes which formerly did not compete with the bricklayers' and stone-masons' craft are now competing actively with it. This condition is bringing with it a train of disputes involving endless trouble. Moreover, specialization within the trade is causing secession from the Union, as well as the formation of smaller unions of trades which were formerly included with the older Union.

The Bricklayers and Masons have at present jurisdictional disputes, of more or less importance, with the Stone Cutters' Union, the Electricians, the Elevator Constructors, and probably most important of all with the Terra Cotta and Tile Workers.

In the report of the president of the American Federation of Labor for 1903, Mr. Gompers pointed out the gravity of the situation with respect to jurisdictional disputes in the following words: "It becomes my painful duty to again call attention to the very grave danger which confronts our movement by reason of the internecine strife due to the conflicting claims of jurisdiction. Owing to the acuteness of this question, last year, the New Orleans convention made most strenuous efforts to bring about a solution of the various conflicting claims then made. Had all the organizations affected yielded in good faith to the suggestions made and conclusions reached, the convention would have fully merited the tribute ascribed to it and which it deserved in being designated the 'peace convention' of the labor movement. In not many instances, however, have the organizations departed from their original claims, while several others by their violation of their pledges to that convention, to cease hostilities and to abide by the awards of the impartial arbitration or of decisions reached by the convention itself, have rendered conditions if possible still worse." A bare statement of the disputes in the building trades which came up for adjudication before the American Federation of Labor in 1903 will show justification for Mr. Gompers' statement. The Electrical Workers and Machinists objected to a charter being granted to the Elevator Constructors. The Plumbers had disputes with the Metal Workers and the Electrical Workers over the question of conduit work, which was finally granted to the Electrical Workers. The Sheet Metal Workers contended with the Painters as to which union should do the glazing in metallic skylights and sashes, and the United Brotherhood of Carpenters with the Wood, Wire and Metal Lathers over the jurisdiction of wood lathing.

But the harm done to the unions is only one side of the picture. A corresponding injury is done the employer. His work may be stopped without warning by the conflicting



claims of two or more unions. Jurisdictional disputes were a principal cause of strikes in New York prior to the formation of the present Employers' Association, and were ended only by sending the arch offender to Sing Sing and in breaking up the body whose policy was largely dictated by him. Until the unions themselves gain more respect for the decisions of their arbitration tribunals and central bodies, and until they give them power to enforce their decrees, the question of trade jurisdiction will be an irritating one in the trade-union world.

(4) The provision for the "closed" or "union" shop is in the opinion of the unionist the basic rule which makes the enforcement of other trade rules possible. It is not proposed in this paper to discuss the ethical or the legal aspect of the case. From the former point of view, there are as many opinions as there are many minds, and the law is as yet unsettled. We shall simply state the opinions of the building trades upon this point, and attempt to show some of the forms which the opposition to the "open shop" takes. Every union is strongly in favor of the "closed shop" in its special trade; but, furthermore, among most of the unions there is a strong sympathetic feeling which opposes the employment of non-union labor in any craft. This feeling is fostered by the building trades' councils and by the alliances which exist in most of the large cities, whose function it is to deliberate upon the state of the trade and to devise ways and means for united action. Consequently, in speaking of the closed shop in reference to the building trades we usually mean the closed shop as applied to the whole group. A notable exception to this rule is the Bricklayers' and Masons' Union. This organization, which is the best managed of any in the trades, has consistently kept itself free from these alliances, and while its members unquestionably feel strongly upon the closed shop in kindred trades the Union has remained content with securing the closed shop for its own members.

The unions' position on the question of the employment of non-union men is clear. The great fear is that the so-called "open shop" will in reality amount to a "closed shop" with union men excluded. If an influx of non-union men be allowed, it may result in a reduction of wages, an increase of

hours and a general breaking down of union conditions. This fear is not unfounded. The building trades have succeeded in many places in gaining the eight-hour day, in maintaining a high standard wage, and in eliminating the sub-contractor. This has not been accomplished because of any scarcity of men competent to engage in the building trades. The trades are continually threatened by a large body of men more or less able to pursue many of the trades such as carpentry, plumbing, bricklaying, and painting. Nor is this a temporary condition. It has existed since the formation of the unions and in certain crafts, notably carpentering and painting, where the trade is soon learned, it bids fair to be an increasing menace. The introduction of machinery and the division of the work between the building and factory has subdivided the crafts and made them easier to learn. As a consequence, the standard wage is constantly threatened by a possible influx of non-unionists.

The close bond between the different unions in the building trades is shown by this rule, which is found in many of the agreements between employers and unions: "A sympathetic strike when ordered by the building trades' council will not be a violation of this agreement." Wherever, therefore, the unions are able to force the exclusive employment of union men they will do so. The experience of the Chicago contractors is interesting in this connection. After the defeat of the unions in the great lockout of 1900, the contractors' association succeeded in forcing on the unions the following agreement insuring the open shop: "That all the workmen are at liberty to work for whomsoever they see fit. That all employers are at liberty to employ and discharge whomsoever they see fit." Provision was also made "That the rights of the individual workman and the individual employer are not to be interfered with by any rule, regulation, or threat of fine or punishment by either party thereto." One of the great weaknesses of such rules is the practical impossibility of discovering whether the men have gone out at the order of the local or as individuals. No rule can force a man to work without his consent or against his will.

The Chicago agreements now (1904) in force show that the

“open shop” in the building trades is hardly more than a pretense. In the steam-fitters’ agreement there is a clause which by implication gives steam-fitters’ work to members of the union but provides that there shall be no strikes because of the employment of non-union men. In the agreement of the hod carriers it is provided that they shall work with non-union laborers if union men cannot be secured in sufficient number, and that they shall not strike because non-union men in any other line of work are employed or in sympathy with men of their own craft when non-union laborers are employed on other buildings. The employers are at liberty to employ whomsoever they see fit, but preference is to be given to the parties to the agreement. Provisions of this sort are not uncommon in the agreements, but it is more than doubtful if they are lived up to. The carpenters’ agreement is self-contradictory. Starting with the usual open-shop clause, it provides against sympathetic strikes because of the employment of non-union men; but the agreement further provides that carpenters may refuse to work with anyone who is not a member of the union and also that laborers shall not be allowed to do carpenters’ work. Both of these propositions are in direct violation of the absolute right to discharge or employ which was formally asserted. In spite of the agreement, as explicit as it could well be made, the “closed shop” prevails in Chicago. The only exception found by the present writer was in the case of the shop hands among the marble workers.

In New York we have a most interesting development of the closed-shop controversy. The trouble in New York was caused by the corruption of certain union officials, jurisdictional disputes, and sympathetic strikes. The Employers’ Association, which up to that time had been little more than a social club for contractors in the different crafts, at the suggestion of a few of its members determined to take an active part in labor matters. It was at first suggested that the organization should be a fighting one and should endeavor to root out the unions, but it was discovered that certain of the most influential crafts had “closed-shop” agreements which they could not afford to break. This consideration, together with the counsel of the less radical members of the association,

led to the formulation of a plan in which the "closed shop" was recognized. It was agreed that if the union should not be able to supply sufficient labor the question should be arbitrated by individuals representing that trade; but if the scarcity of workmen should continue, the matter should be brought to the general arbitration board for settlement. In return for the "closed shop," the unions agreed to have all disputes submitted to arbitration before a strike was ordered. This plan met strong opposition which culminated in a great lockout in August, 1904. But if the plan be carried out intelligently and honestly, it must result in bringing about a degree of stability in the trades that was lacking prior to the formation of the association. The recognition of the "closed shop" appears to be a concession to the inevitable.

The fight for the "closed shop" is frequently extended to the use of "unfair" material, *i. e.*, material made by scab labor. The charge that "scab" stone was imported into New York was the cause stated for calling off the unions of the Building Trades' Alliance in 1904. In all Chicago agreements it is provided that there "shall be no restriction to the use of any manufactured materials except prison made." In New York, by agreement between the employers and the locals of the Stone Cutters, Marble Cutters, and Tile Layers, it was provided that no prepared marble and stone, or tile would be received within the jurisdiction of the unions and the employers' associations unless prepared by parties to the agreement. Furthermore the locals agreed to work only for members of the Association, and the employers on their side do not employ anyone who is not a member of the locals signing the agreement. The unions and the employers were led into these agreements by the high price of labor in New York, and the higher fixed charges of business in these trades make it impossible to compete with material coming from localities where wages and fixed charges are lower.

In the foregoing pages, the attempt has been made to give a fair idea of existing trade regulations in the building trades. The statement and discussion of the rules as they appear in print, whether in essays, agreements, journals, or constitutions, can only give a small idea of what these rules mean and

how they are carried out. Such trade rules are made exclusively for the benefit of the members of the unions. The interest of the employer, or of the worker outside the union, affects their policy only to a very small degree. The rules against "scabs," against the use of unfair materials, and the restrictions in the use of machinery all show this. The union is organized to further the interests of its members in any manner consistent with law. Being a class organization, quasi-philanthropic motives do not dictate its policy, any more than they actuate employers' associations. The failure of so many to realize this fact causes great misconception as to the scope and justification of trade rules. It is only when we consider trade rules from this point of view that we can hope to understand them or to appreciate their significance.

But while the justification for many of the rules may be admitted, their administration and interpretation leaves much to be desired. The same rules that guide one local in peace may cause another local the greatest amount of trouble. This is not always due to differences in industrial conditions, but in the main to the personality of the contractors and officers of the union. In the building trades we have unionism in its crude form. Irresponsibility, corruption, and frequent strikes make this evident. When the national union is able to enforce its rules upon the locals, when the agreement is considered sacred, and jurisdictional disputes once decided remain decided, the way will be cleared for a more definite statement of trade rules in the building trades.



XI

THE BENEFICIARY FEATURES OF THE  
RAILWAY UNIONS

BY

J. B. KENNEDY



## XI

### THE BENEFICIARY FEATURES OF THE RAILWAY UNIONS

AT present the railway employees of the United States number more than 1,000,000 persons, and upon them the maintenance of not less than one-sixteenth of the entire population depends. Over 300,000 of these employees are organized in unions which from their beginning have made beneficiary features, in the form of insurance against death and disability, a chief concern. The railway employee has a choice of several forms of insurance organizations,—ordinary insurance companies, the associations maintained by the railroads, and finally those organized and managed entirely by the railway employees themselves. The distinctive characteristics of the last class are (a) that their membership is composed solely or chiefly of employees performing one kind of railway service—as engineers, conductors, or firemen—and (b) that they do not limit membership to the employees of a single railroad system. The railway unions whose insurance features are discussed in this paper are the oldest and most highly developed organizations among the railway employees of North America: the Grand Brotherhood of Locomotive Engineers, the Order of Railway Conductors, the Brotherhood of Locomotive Firemen, the Brotherhood of Railroad Trainmen, the Order of Railroad Telegraphers, the Switchmen's Union of North America, and the International Brotherhood of Maintenance-of-Way Employees.

The oldest of these organizations, the Engineers, was formed at Detroit, August 17, 1863, as the "Brotherhood of the Footboard," and was reorganized at Indianapolis, Ind., August 17, 1864, under the present name. Under the original constitution, firemen and machinists, as well as engineers, were admitted; but since February 23, 1864,

membership had been restricted to locomotive engineers.<sup>1</sup> The Brotherhood was prosperous from the outset, and at the twenty-first convention in 1884, Grand Chief Arthur reported 258 subordinate divisions with 16,000 members; and at the sixth biennial session in May, 1904, Grand Chief Stone reported 652 divisions with 46,400 members.

The Brotherhood of Locomotive Engineers is not only the oldest of the railway unions, but was the first to institute national beneficiary features. Three years after its organization, in September, 1866, the grand division levied an assessment to raise a fund for "widows, and orphans and totally disabled members." The law was unsatisfactory, and few subordinate divisions paid the assessments prior to the Cincinnati convention of October, 1867. The convention ordered all assessments paid at once, and on December 2, 1867, \$1212.40 was paid over to the chairman of the board of trustees. This was the nucleus of a fund which reached \$10,787.63 on March 1, 1871. On account of charges of mismanagement and the slow growth of the fund, repeated efforts were made to repeal the "fund" law, but without success. At the Nashville convention of 1870, a committee appointed to consider the disposition of the fund at the expiration of the five years, recommended that the entire sum be paid back to the subordinate divisions. The grand chief engineer opposed this use of the fund, which he regarded as the Brotherhood's "strongest pillar."<sup>2</sup>

Before the expiration of the five-year period, however, on December 3, 1867, the Brotherhood founded an insurance association.<sup>3</sup> On March 13, 1869, the secretary-treasurer reported: number of members admitted during 1868, 2426; amount of claims paid, \$31,920; average amount of each claim, \$1520.09; cost per member, \$19. At Baltimore on October 21, 1869, by-laws were adopted providing for assessments of \$1 per member for each death, and 50c. for each case of total disability,<sup>4</sup> and at the annual convention of 1871,

<sup>1</sup> *Brotherhood of Locomotive Engineers' Journal*, February, 1867.

<sup>2</sup> *Ib.*, Vol. 5, p. 294.

<sup>3</sup> *Ib.*, Vol. 3, p. 232.

<sup>4</sup> *Ib.*, Vol. 4, p. 31.

President Sherman reported that for the three and one-half years of the life of the association there had been eighty-six deaths and eighty-eight assessments, aggregating \$196,358.50, an average of \$2257. The highest amount paid on any one claim was \$3278.

The industrial depression of the seventies decreased the membership, but with the revival of trade an increase set in. Since January 1, 1890, insurance has been compulsory upon all members of the Brotherhood under fifty years of age. In January, 1890, the association numbered about 8000, and on January 1, 1897, it had reached about 18,000. During the twenty-five years of voluntary insurance \$3,122,669.61 was paid in death and disability benefits, and at the close of 1896 this total had been increased to \$5,771,214.61.<sup>1</sup>

The next organization of railway employees to be formed was the "Conductors' Brotherhood," at Mendota, Ill., July 6, 1868. Being desirous of a more comprehensive organization a few conductors issued in November, 1868, a circular to the railway conductors of the United States and the British Provinces. As a result of this effort, the Grand Division of the Order of Railway Conductors was organized at Columbus, Ohio, on December 15, 1868.<sup>2</sup> For a period of twenty-two years, the Order grew slowly against much opposition. From 1877 to 1890 the Order was exclusively beneficiary, and many of its members withdrew to organize the "Grand International Brotherhood of Railway Conductors of America." In 1890 the Order decided to make collective bargaining one of its functions, and the members of the International Brotherhood joined the Order of Railway Conductors in such numbers that a year later the Brotherhood disbanded. On January 1, 1890, there were 249 subordinate divisions and 13,720 members; on January 1, 1904, there were 446 divisions with 31,288.

The convention which founded the Grand Division of the Order of Railway Conductors also instituted a mutual insurance association. The association thus formed was a volun-

<sup>1</sup> *Locomotive Engineers' Journal*, Vol. 25, p. 951; Vol. 31, p. 504.

<sup>2</sup> "Proceedings of the Conductors, 1868-1885" (Cedar Rapids, 1888), p. 13.

tary society. Members paid \$1 upon each death or each case of disability and the amount thus collected constituted the benefit paid.<sup>1</sup> At the first annual session held in Chicago in June, 1869, efforts were made to create a permanent insurance fund, but without result; and at the second session held in Buffalo, N. Y., in October, 1869, after lengthy discussion the benefit law, adopted in 1868, was unanimously repealed.<sup>2</sup> For a year the Order had no insurance feature; but at the third session in October, 1870, a definite plan was adopted.<sup>3</sup>

From the adoption of this plan to the session at Buffalo, in 1881, the insurance department remained of small importance, and only 19 claims were paid, aggregating \$1672. At almost every annual session during this period, the reports of the grand chief conductor and the grand secretary-treasurer showed that the department was losing ground. At the session of 1881, the secretary-treasurer reported the "very unsatisfactory condition of the department" and said: "A complete revision of its laws can no longer be postponed, if we keep it from going to pieces altogether."<sup>4</sup> In 1882, the insurance laws were amended, and an immediate improvement began in the condition of the department. In 1891, the insurance became compulsory. On April 1, 1891, there were 3950 members and the outstanding risks amounted to \$9,875,000, while on April 1, 1893, there were 11,436 members, carrying insurance to the amount of \$24,963,000. On January 1, 1891, only 27.21 per cent. of the Order carried insurance, as against 64.07 per cent. in May, 1895. During the financial and industrial depression of 1893-96, the Order maintained its prosperity; and on December 31, 1903, the reports showed 27,875 insurance certificates in force and a grand total of \$6,329,067 benefits paid since organization.

The Brotherhood of Locomotive Firemen was organized at Port Jervis, N. Y., on December 1, 1873, as a benevolent as-

<sup>1</sup> "Proceedings of the Conductors, 1868-1885" (Cedar Rapids, 1888), p. 19.

<sup>2</sup> *Ib.*, p. 42.

<sup>3</sup> *Ib.*, pp. 48-49.

<sup>4</sup> *Ib.*, pp. 395, 435.

sociation. In 1885 it became a labor organization with a "protective policy."<sup>1</sup> During the first fifteen years of its history, its growth was retarded by the great strike of 1877, by the opposition of the International Firemen's Union, by difficulties with the Knights of Labor in 1885, and by the Chicago, Burlington, and Quincy strike of 1888. These checks were only temporary, however, and by the close of 1893, the Firemen had 510 lodges with 28,681 members. During the next two years there was a heavy falling off to 484 lodges with 21,408 members. Since 1895 the growth has been rapid, and the present membership is about 55,000.<sup>2</sup>

At its first annual convention in 1874, the Brotherhood established an insurance feature, which after the first four years was made compulsory. The Firemen suffered a temporary check by the strike on the Chicago, Burlington, and Quincy, but were assisted by a loan of \$25,839.60 from the Engineers, and regained sufficient strength to withstand the financial and industrial depression of 1893-96. In 1897, Grand Master Sargent said, "The condition of the beneficiary department excels by far any previous period in the history of the Brotherhood—so far as prompt payment of claims and the dispatch of business of the department."<sup>3</sup> The present membership of the insurance department is 53,667—98.59 per cent. of the Brotherhood. The total outstanding insurance amounts to \$75,559,000 and since its organization the department has paid \$7,941,065 in death and disability claims.

The Brotherhood of Railroad Trainmen was founded at Oneonta, N. Y., September 23, 1883, under the name, "Brotherhood of Railroad Brakemen," which it retained until January 1, 1890, when, "because many of its members had been promoted in the service, the more appropriate name of Brotherhood of Railroad Trainmen was adopted." The membership consists of conductors, brakemen, train baggagemen, train flagmen, yard masters, yard foremen, and switchmen. On August 31, 1893, the membership was 28,540, but on December 31, 1894, it had fallen to 22,359 and at the close of

<sup>1</sup> *Locomotive Firemen's Magazine*, Vol. 14, p. 998.

<sup>2</sup> *Ib.*, Vol. 17, p. 1078.

<sup>3</sup> *Ib.*, Vol. 13, p. 247; Vol. 24, p. 195.

1896 it reached low-water mark at 22,326. Since 1896 the increase has been rapid, and on December 31, 1903, there were 699 lodges with 68,158 members.

The Brotherhood of Railroad Brakemen provided in its first constitution for death or disability insurance. Up to the end of the fiscal year on August 31, 1893, the membership of the insurance department increased rapidly, but with the financial and industrial depression the membership decreased, so that in May, 1895, it showed a reduction from 28,000 to about 18,000. The membership of the beneficiary department at the close of the year 1903 was 65,108 or 95.55 per cent. of the membership of the Brotherhood, and the total amount of insurance paid from date of organization to April 1, 1904, amounted to \$8,987,284.54.<sup>1</sup>

The Order of Railroad Telegraphers was instituted at Cedar Rapids, Iowa, June 9, 1886. To it is admitted "any white person of good moral character, eighteen years of age and employed on a railroad as a telegrapher, line repairer, leverman, or interlocker, including all employees connected with operation of signal towers and interlocking plants."<sup>2</sup> By April 30, 1893, the membership numbered 17,780. A rapid decrease reduced its strength to 10,114 on April 30, 1894, 6684 on December 30, 1894, and finally to 4976 on December 31, 1895. On August 1, 1904, the membership had increased to 37,700.<sup>3</sup>

Although the Order paid benefits almost from its organization, it was without an effective system of insurance, until January 1, 1898, when the present system was established. The first constitution, 1886, provided that local divisions should exercise every honorable means to assist a member in need, and at the session in 1887 a voluntary insurance association was established under the name of "Mutual Life Insurance Association of North America." The insurance entirely failed to attract any considerable part of the membership, and up to July, 1890, the total amount paid was only

<sup>1</sup> "Report of State Examiner John W. Crooks, to A. J. Vovys, Supt. of Insurance for State of Ohio, May 2, 1904."

<sup>2</sup> "Constitution, 1903" (St. Louis, n. d.), pp. 5, 7.

<sup>3</sup> *The Railroad Telegrapher*, Vol. 21, p. 292.

\$2430.05.<sup>1</sup> In 1896 the grand division appointed a committee to devise a plan for a system of insurance. The reported plan was submitted to referendum vote in December, 1897, and became operative on January 1, 1898.<sup>2</sup> From March 1, 1898, to June 15, 1899, applications were received without an entrance fee, and during this period the success of the department was practically assured. The insurance is compulsory on all new members. At present there are about 38,000 members carrying insurance, the mortuary fund has a balance of \$120,000 and the total amount of insurance paid aggregates \$142,000.

A local organization of switchmen was effected at Chicago, August 18, 1877, but a national union was not formed until February 22, 1886, when the Switchmen's Mutual Aid Association was inaugurated. At the first annual session in September, 1886, the grand master declared that the purposes of the organization were "to wage war against discrimination made by arbitrary employers; to organize for benevolent purposes; to amicably adjust labor disputes by arbitration, and for mutual aid to its members."<sup>3</sup> The Association was forced by the defalcations of its treasurer to disband, and a new organization, the Switchmen's Union, was formed. Since this reorganization in 1897, rapid growth has been made under the management of conservative officers. On January 1, 1903, the Switchmen's Union had a membership of 14,000.

The first constitution provided for death and disability insurance. At the second session in September, 1887, the grand master reported \$15,000 paid for death and disability claims during the year.<sup>4</sup> Until the disbanding of the Association in 1894, the insurance department was successful. In 1901, the Union without a dissenting vote adopted a compulsory system of insurance. During 1902, \$6,151,200 of insurance was issued, during 1903, \$2,906,600; while at the close of 1902, \$4,779,600 of insurance was in force, and at the close of 1903, \$6,679,200. The total amount paid in death and disability claims since reorganization has aggregated \$207,335.75.

<sup>1</sup> *Telegrapher*, Vol. 6, p. 310.

<sup>2</sup> *Switchmen's Journal*, Vol. 1, p. 244.

<sup>3</sup> *Ib.*, Vol. 14, p. 880.

<sup>4</sup> *Ib.*, Vol. 2, p. 247.

The present International Brotherhood of Maintenance-of-Way Employees has suffered many vicissitudes in its development. It was organized in the summer of 1887 as the Order of Railway Trackmen, and admitted into membership foremen in the maintenance-of-way department, road masters, and bridge and building masters.<sup>1</sup> In October, 1891, this organization, with a membership of 600, united with the Brotherhood of Railway Section Foremen, an organization with 400 members. The new union took the name of Brotherhood of Railway Trackmen of North America. Prior to 1898, the Brotherhood was almost exclusively a fraternal insurance society, but in that year collective bargaining was added to its functions. In 1903, the organization became the Brotherhood of Maintenance-of-Way Employees. It admits to membership "persons employed in the track, bridge and building, water supply and fuel department, and signal and interlocking service." During the last five years the membership of the Order has shown considerable increase. In 1903 over 15,000 members were added, making a total of over 40,000 on January 1, 1904.

Originally the insurance was compulsory. At the convention of October, 1893, it became optional and remained so until October, 1894, when it again became compulsory. Owing to opposition from members carrying old line insurance and from the uncertainty in the number of assessments levied each year, the St. Louis convention of 1896 reverted to a system of optional insurance. Previous to the adoption of this plan, the order had paid death, total disability, and partial disability claims to the amount of about \$75,000. From January 1, 1897, to September 30, 1904, \$74,909.66 was paid to beneficiaries, making a total paid since organization of about \$150,000.

From the outset all the organizations described above have made a distinction between death and disability insurance, and sick and accident insurance. The locals have been prohibited either specifically or by implication from maintaining

<sup>1</sup> *Advance Advocate*, Vol. 7, p. 196.

any association or society for paying death and disability benefits. This rule was first established by the Conductors. During the early years of the Conductors' national history, 1868-1880, many subordinate divisions maintained mutual benefit associations for the payment of death and disability insurance. The growth of the national benefit department was thus retarded, and at the tenth annual session in October, 1877, subordinate divisions were prohibited from maintaining "mutual benefit societies."<sup>1</sup> The national organizations on the other hand do not furnish sick and accident insurance, but leave this function to the local bodies. In the formulation of this policy also, the Conductors took the initiative. They provided in their first national constitution in December, 1868, that the order should never become a weekly benefit association.<sup>2</sup> The Engineers had a similar provision as early as September, 1869. However, national regulations governing the payment of weekly benefits were formulated. The other railway unions have followed this policy, and their constitutions provide that the weekly benefits shall be levied, collected, and distributed according to national rules.

The most distinctive characteristic of the insurance features of the railway organizations has been the placing of disability insurance on an equality with death insurance. The fact that railway employees are specially exposed to the risk of disabling accidents has been the chief influence in this direction. The large number of claims paid for disability in the Conductors' and the Firemen's beneficiary departments during recent years shows the high importance of disability insurance to the men engaged in the more hazardous occupations.

The disability claims paid among the Firemen for the eleven years from 1894 to 1904 were 24.5 per cent. of the total number of claims paid, about one-third of the number of death claims paid. Among the Conductors the disability claims, paid during the same period, amounted to one-seventh

<sup>1</sup> "Proceedings of the Conductors, 1868-1885" (Cedar Rapids, 1888), p. 207.

<sup>2</sup> *Ib.*, p. 21.

of the death claims paid. The percentage of disability claims has gradually decreased in each of these organizations for some years. The disability claims paid by the Conductors in 1894 were 15.6 per cent. of the total number of claims paid, and at the close of 1904, 11.8 per cent.; while among the Firemen the percentages for the biennial terms 1894-1896 and 1902-1904 were 32.09 per cent. and 21.4 per cent. respectively. The number of disability claims per 1000 of the total membership furnishes a better basis of comparison. In the biennial terms 1894-1896 and 1902-1904 the disability claims paid by the Firemen were respectively 6 and 4.3 per 1000 of the total membership. This decrease is due partly to greater efficiency in the administration of the disability in-

	Term	Claims paid		Per cent. of Disability Claims	Disability Claims per 1000 of Total Membership
		Death	Disability		
Conductors....	'93-'94	265	49	15.6	3.8
	'95-'96	274	46	14.3	3.1
	'97-'98	363	63	14.8	3.6
	'99-'00	440	55	11.1	2.6
	'01-'02	523	81	13.4	3.2
	'03-'04	688	92	11.8	3
	'94-'96	295	145	32.9	6
Firemen.....	'96-'98	349	118	25.3	4.3
	'98-'00	488	174	26.3	4.7
	'00-'02	655	186	22.1	3.9
	'02-'04	857	234	21.4	4.3

surance laws and partly to improved conditions under which the duties of conductor and fireman are performed.

The old-line companies do not offer the form of disability insurance required by railway employees. These companies issue accident policies against death and total or partial disability from accident while on duty; but there are two defects in the form of this insurance. In the first place the definition of total disability adopted by the companies is much stricter than that of the insurance departments of the railway brotherhoods. A typical insurance company definition of total disability is—incapacity for “prosecuting any and every kind of business pertaining to a regular occupation from the loss of both eyes, both hands, both feet, or one hand

and one foot;" while partial disability is "the loss of one hand or one foot or any injury preventing the performance of one or more important daily duties pertaining to a regular occupation." In other words, to secure the indemnity for total disability, the insured must be disabled from performing any regular labor whatever. In the railway organizations total disability is usually defined to mean inability of the insured to continue in his position and has no reference to general disability. Secondly, the disability insurance offered by the companies is joined with accident insurance affording a weekly indemnity during the period of illness due to accident. The railway employee, if he insures against totally disabling accidents, must also insure against temporarily disabling accidents, since the companies do not separate the two forms of insurance. The inclusion of all accidents in one policy necessitates a heavy premium. For example, to secure accident insurance including, besides a weekly indemnity of \$20, provision for the payment of \$1000 in case of death or total disability resulting from accidents, an engineer must pay an annual premium of \$50.40 or \$56 according to the section of the country over which he runs, or the system by which he is employed. The combination of life with disability insurance meets the need of the ordinary railway employee better than any other combination.

The formative period of the two older organizations furnished opportunities for a study of the disability benefit and showed its usefulness in strengthening the national unions. These organizations, however, experienced grave difficulties in their attempts to administer disability insurance. The Engineers included "totally disabled members" among the beneficiaries of the fund provided for in 1866.<sup>1</sup> The by-laws of the insurance association founded by the Brotherhood on December 3, 1867, provided for assessments of 50 cents per member for the benefit of each totally disabled member—one-half the amount assessed in case of death.<sup>2</sup> The history of this benefit was tersely summed up by General Secretary-Treasurer Abbott in his address to the Engineers' Association,

<sup>1</sup> *Locomotive Engineers' Journal*, Vol. 1, p. 9.

<sup>2</sup> "Constitution, 1869" in *Journal*, Vol. 4, p. 31.

December 3, 1871: "The Baltimore convention, 1869, adopted a disability clause, the Nashville, Tenn., convention amended it, and the Toronto, Canada, convention, 1871, repealed it." At St. Louis, 1872, the Brotherhood formed a separate association, known as the "Total Disability Insurance Association," for furnishing insurance against disability to members. An entrance fee of \$2 was required and the assessment was fixed at \$1.<sup>1</sup> In 1876 the convention dissolved the Total Disability Insurance Association, and the Engineers did not succeed in establishing a satisfactory system of disability insurance until 1884, when the prosperous condition of the insurance association enabled the convention to carry out its long-cherished plan and to make provision for the payment of the same benefit in case of total disability as at death.<sup>2</sup> In the call of the Conductors for a convention to effect a permanent organization issued in November, 1868, the purpose of the proposed Order was stated to be the protection of "the members and their families in case of sickness, accident, or death."<sup>3</sup> The mutual insurance association instituted by the first convention paid a disability benefit equal to the death benefit. The law under which the association operated was repealed at the second convention in October, 1869; but when the third convention in October, 1870, adopted a new insurance plan, provision was made that disability insurance should be paid in an amount equal to that paid in case of death. Not until 1881, did the Conductors satisfactorily solve the problem.

The difficulties experienced by the Engineers and the Conductors in establishing disability insurance without doubt served to deter the Firemen from adopting disability insurance until their fifth convention in 1878. During the period, 1868-1880, the disability benefit was in process of evolution. By 1880 the three older organizations had demonstrated the possibility of maintaining the benefit, and since that time it has been regarded as an essential element in railway insurance

<sup>1</sup> *Journal*, Vol. 5, p. 11; Vol. 7, pp. 28, 60.

<sup>2</sup> *Ib.*, Vol. 7, pp. 28-60; Vol. 11, p. 78; "Constitution, 1884" (Cleveland, 1884).

<sup>3</sup> "Conductors' Proceedings, 1868-1885" (Cedar Rapids, 1888), p. 19.

systems. Hence the Trainmen in 1883, the Telegraphers in 1887, and the Switchmen in 1886, in their first constitutions, and the Trackmen in 1893, made the disability insurance equal to that paid in case of death. All of the railway organizations, except the Telegraphers, follow this policy at the present time. The Telegraphers have not paid a disability benefit since 1897. They provide, however, that should a member become totally or permanently disabled the insurance committee may order his assessments paid and shall deduct the amount of these assessments when the benefit is finally paid.<sup>1</sup> The failure of the Telegraphers to pay a disability benefit is largely due to the fact that their occupation is less dangerous than other forms of railway service.

The principal obstacle to the successful operation of disability insurance has been the difficulties experienced in its administration—largely on account of the impracticability of closely defining permanent or total disability. With almost every revision of the constitutions changes were made in the definition of the term "disability." Strict construction of the law by the executive officials led to dissatisfaction, and often to appeals from their decisions to the insurance committees, or to the boards of trustees.<sup>2</sup> During the early years, disability claims were often presented through subordinate officials, who were either unable to interpret the laws aright, or were unwilling to assume the responsibility of pronouncing the claims illegal. The Engineers, after a period of thirty-two years, in 1898, adopted a satisfactory definition of total disability: "Any member of this Association losing by amputation a hand at or above the wrist joint; a foot at or above the ankle joint; or sustaining the total and permanent loss of sight in one eye or both eyes, shall receive the full amount of his insurance."<sup>3</sup> Similar definitions of disability have been worked out by the other railway organizations. The Conductors add to this "total loss of the sense of hearing." The Switchmen include "the loss of four fingers of one hand,

<sup>1</sup> "Constitution, 1903" (St. Louis, n. d.), Article 18, p. 106.

<sup>2</sup> "Proceedings of the Conductors, 1887" (n. p., n. d.), p. 69.

<sup>3</sup> "Constitution, 1898" (Cleveland, 1898), Article 28.

at or above the second joint; or of three fingers and thumb of one hand, at or above the second joint."

A most important development in the insurance systems of the railway unions has been the change in the amount paid from an uncertain to a fixed amount. This evolution is best illustrated in the history of the older organizations. In the period from 1868 to 1884 the amount paid was the amount collected by levying upon each member a certain sum for each death or disability. The amount of the benefit therefore varied with the number of members. In the first stage, the Engineers paid \$1 per member upon each death and 50 cents in each case of disability, the Conductors paid \$1 per member upon each death or case of disability, while the Firemen paid 50 cents per member upon each death or case of disability.<sup>1</sup> The membership was small and the assessments were largely regarded as benevolent contributions. This phase is well illustrated by the early history of the benefit among the Conductors. The first benefit paid in December, 1871, amounted to \$48. During the first thirteen years of the department's activity nineteen claims were paid. The last was \$70, and the average amount paid was \$88.<sup>2</sup> This system continued until 1881-1884, when a general revision of constitutions in these three brotherhoods limited the amount of insurance paid, and laid the basis for issuing insurance certificates in fixed amounts. In the second period, from 1883 to 1890, the number of assessments remained undetermined; but the amount of the benefit was limited to a fixed sum and all surpluses were placed in reserve. The Conductors and the Firemen took the initiative in this change and in the constitutions of 1881 fixed the maximum amount for death or disability at \$2000 and \$1000 respectively; the Engineers, in the constitution of 1884, placed this maximum at \$3000.

The Brotherhood of Railroad Trainmen, the Order of Rail-

<sup>1</sup> Engineers' "Constitution, 1869" in *Journal*, Vol. 4, p. 31; Conductors' "Proceedings, 1868-1885" (Cedar Rapids, 1888), p. 119; *Firemen's Magazine*, Vol. 21, p. 181.

<sup>2</sup> "Eighteenth Proceedings, 1885" (Cedar Rapids, 1888), p. 754; *Journal*, Vol. 4, p. 188.

road Telegraphers, the Switchmen's Union, and the Maintenance-of-Way Employees did not pass through the first period of development, but were organized during the second stage when the amount of insurance was limited. The Trainmen, the Telegraphers, and the Switchmen, in their first constitutions of 1883, 1887, and 1886, respectively, and the Trackmen (Maintenance-of-Way Employees) in 1892 fixed the amount paid at the definite sums of \$300, \$1000, \$500, and \$1000 respectively.<sup>1</sup> Finally, in the period from 1890 to the present, the number of the assessments was also fixed.

Another important change in the method of conducting these insurance systems was made by the brotherhoods in the decade from 1890 to 1900. The brotherhoods with one exception have not adopted the policy of the insurance companies in varying the charge with the age of the insured. The device they have commonly used is the differentiation in the amount of insurance which may be taken, in such a way that the older members may insure themselves only for a smaller amount. As early as 1886 the Firemen provided that only members under forty-five years of age might carry insurance,<sup>2</sup> and in 1887 the Telegraphers adopted an age limit of fifty years.<sup>3</sup> The Conductors under the constitution of 1890, provided that any member between the ages of fifteen and fifty might carry \$2500 against death or disability, and any member between the ages of fifty and sixty might carry \$1000 against death and \$500 against disability.<sup>4</sup> In 1892 the Engineers introduced an age limit of fifty and in 1894 further differentiated applicants so that those under forty years of age might secure \$4500, those under forty-five years of age might obtain \$3000, and all over forty-five and under fifty years of age \$1500.<sup>5</sup> Even now the Switchmen and Trainmen offer equal amounts to members of all ages at the same

<sup>1</sup> Constitutions for several years. Concerning the Trackmen reference is made to "Constitution, 1893" (n. p., n. d.); "Second Annual Proceedings, 1893," in *Advance Advocate*, Vol. 2.

<sup>2</sup> "Constitution, 1886" (Terre Haute, n. d.), sec. 71.

<sup>3</sup> "Constitution, 1887," Articles 12-13, in the *Railroad Telegrapher*, Vol. 2.

<sup>4</sup> "Constitution, 1888, second edition" (Rochester, 1890), p. 38.

<sup>5</sup> "Constitution, 1894" (Peoria, 1895).

rate. The Maintenance-of-Way Employees alone grade the charge per \$1000 according to age. Members from 18 to 35 years of age pay \$1 per \$1000 of insurance; those from 35 to 40, \$1.25; from 40 to 50, \$1.50. The following table shows the regulation of the amount of insurance issued according to ages:

Organization	Age Classes	Amount of Insurance Issued
Engineers.....	{ Under 40 years 40 and under 45 45 and under 50	\$4500 3000 1500
Conductors.....	{ Under 35 years 35 and under 45 45 to 50	3000 2000 1000
Firemen.....	{ Under 45 years 45 and over	3000 1500
Trainmen.....	No age restriction	1350
Telegraphers.....	{ 18 and under 45 45 and under 50 50 and under 60	1000 500 300
Switchmen.....	No age restriction	1200
Maintenance-of-Way Employees.	{ 18 and under 45 at graded rates	1000

The necessity for a reduction in the amount of insurance issued to the older men was more urgent among the Engineers and the Conductors than among the other railway organizations, since the latter form the school of apprenticeship from which the engineers and the conductors are drawn. In the Trainmen's and the Switchmen's organizations the young men contribute to the cost of insuring the old men. This charge is not as heavy as might appear at first sight, since in both organizations many members withdraw when they are promoted to higher positions in the service. In grading the amount of insurance offered according to age, the brotherhoods have made a compromise between an assessment on each individual according to the liability incurred, and a system in which the welfare of the individual is regarded as entirely at one with the welfare of the entire membership. The principle of social solidarity is still recognized, but under limitations.

Originally the brotherhoods collected assessments to meet

death or disability claims after the occurrence of the death or disability. Considerable delay was thus entailed in the payment of claims. All of them, with the exception of the Engineers, now hold reserve funds for the payment of claims. The Conductors took the initiative by providing in the constitution of 1881 that the grand secretary-treasurer, on paying a claim, should levy the regular assessment upon each member to be held in reserve to pay the next claim.<sup>1</sup> This was followed in 1885 by a regulation of the Trainmen which required all members to pay in advance one death assessment. This was repealed by the convention of 1886; but the convention of 1888 re-enacted the law. The Firemen provided in 1888,<sup>2</sup> that the subordinate lodges should collect all dues quarterly in advance.

In determining the amount of insurance offered the organizations have had necessarily to consider primarily what their members can afford to pay. Only a certain per cent. of earnings can be set aside for insurance purposes, and that amount has been determined only by the long experience of the organizations. Again, the insurance must be in an amount which accords with the idea of the workmen of what constitutes a satisfactory provision against death or disability. The amount offered must for this reason be comparable with that offered by insurance companies.

The following table shows the minimum and maximum amounts paid by the several brotherhoods:

Brotherhoods	Minimum Amount	Maximum Amount
Brotherhood of Locomotive Engineers.....	\$1500	\$4500
Order of Railway Conductors.....	1000	3000
Brotherhood of Locomotive Firemen.....	1500	3000
Brotherhood of Railroad Trainmen.....	500	1350
Order of Railroad Telegraphers.....	300	1000
Switchmen.....	600	1200
Maintenance-of-Way Employees.....	500	1000

Originally, the maximum amounts paid were much lower

<sup>1</sup> "Constitution, 1903" (Pittsburg, 1903), pp. 80, 86.

<sup>2</sup> "Constitution, 1888" (Terre Haute, 1888), secs. 50, 52, 53.

than at present. As the membership increased, a greater benefit was paid. In 1887 the Conductors' maximum insurance was \$2500, and in 1888, the Firemen's, the Trainmen's, and the Switchmen's were raised to \$1500, \$1000 and \$800 respectively. Each of these organizations has since raised the maximum: the Engineers to \$4500 in 1892, the Conductors to \$5000 in 1893, reduced in 1899 to \$3000; the Firemen to \$3000 in 1903; the Trainmen to \$1350 in 1903, and the Switchmen to \$1200 in 1901. While the Engineers, the Conductors, and the Firemen offer insurance in relatively large amounts, only a small per cent. of the membership take out certificates for the larger amounts. On June 30, 1904, of the 54,434 Firemen, 43,228 carried \$1500 certificates, while only 717 carried \$2000 certificates, and 824, \$3000 certificates;<sup>1</sup> on November 1, 1904, of the 41,124 engineers, 24,187 carried \$1500, and 10,337 and 1602 carried \$3000 and \$4500 respectively.<sup>2</sup> In each of these organizations the \$1500 certificates are thus in greatest demand. While the rule restricting the members over forty-five undoubtedly lessens the number of policies for larger amounts, it is evident that the great majority of members do not care to insure for more than \$1500. The influence of the higher wages of the Engineers is seen in the relatively large number of policies for higher amounts. In general, for these reasons, the minimum amounts are more significant than the maximum as indications of the size of the ordinary policy.

Entrance into these labor organizations is voluntary; nevertheless, that latent coercion possessed by a well-organized body of union men is brought to bear upon the non-union men and usually induces them to join. The advantage of compulsory insurance as a means both of increasing the membership of the brotherhoods and of securing identity of interest within the organization was not fully recognized in the early development of the insurance departments, and entrance into the insurance departments of these organizations was originally optional. The Brotherhood of Locomotive Firemen first adopted compulsory insurance at the fourth annual convention

<sup>1</sup> "Report of W. S. Carter, Grand Secretary-Treasurer, June 30, 1904."

<sup>2</sup> *Journal*, Vol. 38, p. 966.

in 1878.<sup>1</sup> The Brotherhood of Railroad Trainmen next adopted a similar feature in 1888. Although the Engineers and the Conductors did not succeed in enforcing compulsory insurance until 1890 and 1891 respectively, during the twenty years preceding its adoption frequent proposals were made by subordinate divisions of both these organizations for the adoption of compulsory features. On different occasions the national conventions considered the wisdom of such proposals, weighing in turn the advisability of such a measure and the ability of the organizations to enforce it. The thorough discussion of the subject among the Engineers and the Conductors undoubtedly prepared the younger organizations for the settlement of this question at an earlier stage in their national development. The Trainmen adopted compulsory insurance in 1888, while the two older organizations were in the midst of their struggle. The Switchmen adopted it in 1892, and, after reorganization, again on October 1, 1901, and the Telegraphers on January 1, 1898.

Only in the Switchmen's Union and in the Brotherhood of Maintenance-of-Way Employees has the operation of the compulsory feature met with interruption. The compulsory feature of the Maintenance-of-Way Employees during the early nineties was repeatedly repealed and readopted. The opposition to its introduction was due in a large measure to uncertainty as to the number of yearly assessments necessary and also to the fact that many of the members carried insurance in old line companies.<sup>2</sup> The Switchmen's insurance department suffered from the suspension of the national organization from 1894 to 1897, and although the Union had compulsory insurance before its suspension, on reorganization a voluntary system was adopted, and not until October 1, 1901, did the Union succeed in reestablishing a compulsory system. In all the organizations there is a class of members, called non-beneficiary, who are not eligible to the insurance departments because of partial disability or because of having passed the age limit. The Brotherhood of Locomotive Firemen provides that the non-beneficiary member shall be entitled to all the

<sup>1</sup> *Journal*, Vol. 21, p. 181.

<sup>2</sup> *Advance Advocate*, Vol. 5, p. 485.

privileges of the subordinate lodge, but shall not take part in the national convention or in any way participate in the benefits and privileges of the beneficiary department.<sup>1</sup> Similar rules are found in the other brotherhoods. The Trainmen and the Switchmen issue to non-beneficiary members insurance certificates only against death in the sums of \$500 and \$600 respectively.

The efficiency of compulsory insurance laws in securing and retaining members in the brotherhoods is generally acknowledged among the railway employees. After the member has carried insurance for several years, his financial interests are bound up with the interests of the organization, and his loyalty to the union increased. From this loyalty flows greater interest in every phase of the brotherhood's work. The operation of compulsory insurance appears to have caused an increase in the membership of the brotherhoods. On January 1, 1890, the date on which compulsory insurance became operative, the membership of the Brotherhood of Locomotive Engineers numbered 7408; on January 1, 1897, it had increased to 18,739, and in May, 1904, to 46,400.<sup>2</sup> On January 1, 1891, the date on which compulsory insurance was inaugurated, the membership of the Order of Railway Conductors numbered 3933; on January 1, 1898, it had increased to 15,807, and again on January 1, 1904, to 31,288. It is noteworthy that during the depression, 1893-1897, those organizations having systems of voluntary insurance suffered far more severely than those enforcing compulsory insurance. Thus, the Telegraphers were almost annihilated, while the Firemen and the Conductors practically maintained their position.

The cost of insurance per \$1000 varies greatly in the different organizations, as may be seen by the following table:<sup>3</sup>

<sup>1</sup> "Constitution, amended 1902" (Peoria, n. d.), sec. 163.

<sup>2</sup> *Journal*, Vol. 37, p. 446; Vol. 18, p. 654.

<sup>3</sup> These amounts have been furnished by the grand secretary-treasurers of the several brotherhoods, except those for the Telegraphers and the Maintenance-of-Way Employees, which have been taken from the 1903 Constitutions and represent the amount of the regular monthly assessment.

Organization	Fiscal Year Ending	Cost of Insurance per \$1000 a Year
Engineers.....	December 31, 1903	\$17.80
Conductors.....	December 31, 1903	16 00
Firemen .....	June 30, 1904	12.00
Trainmen.....	December 31, 1903	{ 18.00 18.00 17.78
Telegraphers.....	December 31, 1903	7.20
Switchmen.....	December 31, 1903	20.00
Maintenance-of-Way Employees	December 31, 1903	12.00 15.00 18.00 } according to age

The differences in the cost of insurance are the result of several factors. The slight degree of risk in the occupation is largely responsible for the relative cheapness of the Telegraphers' insurance. More important differences are due to the age grouping of the membership. Thus the Firemen, whom old-line companies, for the most part, classify as extra-hazardous, furnish insurance against death or disability, at \$12 per \$1000. The principal reason for this low rate is the rapid change in membership—the old men withdrawing and being replaced by young men. Near the close of the nineties, the cry of "Something must be done to keep the old members in the Brotherhood of Locomotive Firemen" was raised; but it was clearly shown that "the greatest favor a member of the Brotherhood could show the insurance department was to pay his assessments for ten years and then withdraw, permitting a man ten years his junior to take his place." The grand secretary-treasurer states that the membership practically changes every seven years, due to promotions to the position of engineer and to withdrawals of older men for various reasons. The withdrawal of old men conduces to a more favorable age grouping, to a decrease in the death rate, and to a consequent decrease in the cost of insurance. The Switchmen's Union presents an interesting contrast. The Union prescribes no age limit, and higher positions in the service are not so frequently open to the advancement of its members. The result is that the number of older members is relatively greater, and insurance is maintained at a considerably higher cost.

The cheapness of the insurance offered by the railway organizations is better appreciated when compared with that offered by old-line companies. The following table gives the cost of insurance per \$1000 in a typical life insurance company for different classes of railway employees at thirty-five years of age:

Class of Employees	Rate per \$1000
Engineers.....	\$27.23
Conductors.....	22.23
Firemen.....	27.23
Trainmen.....	27.23
Telegraphers.....	22.23
Switchmen.....	27.23
Maintenance-of-Way Employees.....	27.23

Assuming that the average age of the members of the railway unions is thirty-five, the cost of insurance at the above rates is more than 30 per cent. higher than the cost for an equal amount in the brotherhoods. These rates, moreover, are for insurance against death only, while the insurance offered by the brotherhoods also provides against total disability.

The administration of the insurance systems is, in all cases, except one, carried on by the same set of officers who manage the general affairs of the brotherhood. The Engineers have a separate organization with a different official staff for the administration of the insurance laws. The official staff of the Engineers' association consists of a president, vice-president, secretary-treasurer, and five trustees; while in the other organizations the insurance business is managed by the grand master or grand chief and the grand secretary-treasurer, assisted by a board of trustees or an insurance committee.

Ordinarily, both the grand master and the grand secretary are required to furnish bond in some reliable security company. The following table shows the amounts required by the different organizations:

Organization	Amount of Bond of President or Grand Master	Amount of Bond of Grand Secretary-Treasurer
Brotherhood of Locomotive Engineers.	\$25,000	\$25,000
Order of Railway Conductors.....	None given	Satisfactory to Board of Trustees
Brotherhood of Locomotive Firemen..	25,000	100,000
Brotherhood of Railroad Trainmen....	25,000	75,000
Order of Railroad Telegraphers.....	10,000	Satisfactory to Board of Directors
Switchmen's Union ... .....	None given	35,000
Maintenance-of-Way Employees.....	10,000	10,000

The above table shows that all the brotherhoods require the grand secretary to give heavy bond, while all except two bond their grand chief. These officers countersign all orders drawn on the treasury. The bonding of officials has gradually come to be regarded by the unions as a fundamental administrative principle. Defalcations have frequently occurred, and bonding is the only available method for satisfactory indemnification to the organizations and their members. In the early seventies, the grand secretary-treasurer of the Engineers' association misappropriated the insurance funds, resulting in a decline of membership of one-half, viz.: from 3500 to 1700.<sup>1</sup> On February 10, 1885, the secretary-treasurer of the Trainmen was expelled for dishonesty and misappropriation of the funds. In 1887 the secretary-treasurer of the Switchmen defaulted, leaving a deficit of \$9000, and before recovery from this another official defaulted in the amount of \$32,527.49. Again under the present organization, a third secretary-treasurer was deposed by the grand board of directors, because of misappropriations to the sum of \$2689.50.<sup>2</sup> The Engineers and the Trainmen, in consequence of their greater numbers and the loyalty of special friends, were able to withstand the shock; but the defalcation of the secretary-treasurer in the Switchmen's Union in May, 1894, forced the Union to suspend until 1897, when a reorganization was effected. Ex-

<sup>1</sup> *Journal*, Vol. 18, pp. 4, 11.

<sup>2</sup> *Switchmen's Journal*, Vol. 2, p. 247; Vol. 7, p. 400; "Proceedings of Sixth Annual Session" (Milwaukee, n. d.), p. 63, "Report of Board of Directors."

periences of this kind in the formative period of the brotherhoods have led them to use more care in selecting their officers and to require ample bonds.

The funds of the insurance departments are separate from the general funds of the brotherhoods, and the dues for maintaining the insurance departments are levied as assessments distinct from the general levies. The grand lodges have made provision in their constitutions against encroachments upon the beneficiary funds by the grand officers for the benefit of other departments. The Trainmen and the Switchmen provide that the beneficiary fund shall be used exclusively in paying death and disability claims.<sup>1</sup> The Telegraphers provide that no part of the mortuary fund shall be paid out, loaned or diverted for any purpose except for the payment of approved death claims.<sup>2</sup> The Firemen pay out of their beneficiary fund "all expenses for the proper conducting of the beneficiary department."<sup>3</sup> The position of the Conductors on this point is not so explicit. The Order, however, holds in reserve a fund of \$300,000, from which the grand officers may draw, in case the assessments levied for beneficiary purposes are insufficient to pay all legal claims and the surplus in the beneficiary fund is not sufficient to cover the deficit.<sup>4</sup> The Engineers and the Maintenance-of-Way Employees have no specific regulation along this line; but the implication is that similar protection is furnished their funds.

Nearly if not all the American States regulate by law the conduct of insurance business. For the most part, the railway unions in their early days did insurance business in violation of state laws. Within recent years, however, they have been forced to conform either by incorporating the insurance departments under the insurance laws of the State, or by modifying the general laws of the organizations so as to conform to special state regulations for fraternal insurance companies. The grand chief of the Engineers stated<sup>5</sup> that "incorporation

<sup>1</sup> Trainmen, "Constitution, 1903" (Cleveland, 1903), sec. 58; Switchmen, "Constitution, 1903" (Buffalo, n. d.), sec. 57.

<sup>2</sup> "Constitution, 1903" (St. Louis, n. d.), Article 23, p. 109.

<sup>3</sup> "Constitution, amended 1902" (Peoria, n. d.), sec. 52.

<sup>4</sup> "Constitution, 1903" (Cedar Rapids, n. d.), Article 27, p. 86.

<sup>5</sup> "Brotherhood Relief and Insurance of Railway Employees," by

was a necessity as they were enjoined from doing any insurance business in the State of New York until incorporated, and they found the ruling would hold good in every state in the Union except three." Accordingly, on February 22, 1894,<sup>1</sup> the insurance department of the Locomotive Engineers was incorporated under the laws of the State of Ohio as a separate organization.

The Order of Railway Conductors, also, was forced to change its insurance system after several years of extra-legal business. Previous to 1887, the central office of the Order was located in Chicago. In order to strengthen its position, the Order applied for a certificate of incorporation under the laws of the State of Illinois. The secretary of state refused the certificate on the ground that the insurance regulations of the Order were in violation of the state laws, and requested that these be changed and that the insurance department be incorporated as a separate organization. The Order was not willing to make these changes, and the central office was transferred to Cedar Rapids, Iowa, in 1887. The board of directors on July 12, 1887, ordered the grand secretary to proceed with incorporation under the laws of the State of Iowa.<sup>2</sup> The certificate of incorporation, however, was not issued until the Order had changed its insurance laws so as to conform to the insurance laws of the State.

The other brotherhoods have conformed to the requirements of the insurance laws of the State under whose constitutions they transact insurance business. The insurance department of the Switchmen's Union is incorporated under the laws of the State of New York. The Brotherhood of Locomotive Firemen does business in the State of Illinois under a law enacted in 1893, whereby all beneficial fraternal associations are declared to be corporations, the insurance features of which are subject to state laws.<sup>3</sup> The Brotherhood of Rail-

Emory R. Johnson in "Bulletin of Department of Labor" (Washington, 1898), Vol. 3, p. 556.

<sup>1</sup> *Journal*, Vol. 28, p. 360.

<sup>2</sup> "Proceedings of the Nineteenth Convention" (New Orleans, 1887), pp. 155, 156.

<sup>3</sup> Hurd's "Revised Statutes of Illinois, 1901" (Chicago, 1901), p. 1071, secs. 258-260.

road Trainmen operates its insurance department under a license issued by the Insurance Department of the State of Ohio under the Fraternal Beneficiary Society Act.

The primary purpose of the insurance features of the railway organizations is to obtain for the members and their families a higher degree of economic security. The two great economic contingencies against which the railway organizations provide insurance are, first, the loss to a family in consequence of the death of an income-earning member, and second, the economic hardship involved in shifting from one industry to another made necessary by certain severe physical accidents. Insurance paid to the totally disabled employee, or to the family of a deceased member, is frequently the means of maintaining the standard of living of the unfortunate family. The risks to which the railroad employee is exposed are due to the nature of the trade, the negligence of a fellow workman, or the negligence of the employers. Compensation for only the last class is given by the law. Against the other two kinds of accident, the railway employee must himself make provision, and this provision is ample and surest when made by insurance. The organizations, as we have seen, have never entirely subordinated the idea of benevolence to the principles of business. In the early years of its history, each grand convention set aside large sums for charitable payments. Before the adoption and satisfactory operation of the Engineers' insurance system, it is estimated that eight-tenths of the husbands and fathers of those who applied for charity were uninsured.<sup>1</sup> Purely charitable relief was found inadequate and the present systems represent a compromise between charity and business.

The insurance features have further been the means of securing and retaining members and thus building up the railway organizations as factors in collective bargaining. The power of the brotherhoods to secure satisfactory agreements with their employers is largely measured by the strength of the organizations, and that strength is usually in direct proportion to the development of their insurance systems. Thus,

<sup>1</sup> *Journal*, Vol. 22, p. 33.

not only is insurance a prime support in the collective bargaining of the unions; but it insures control in the exercise of that function. The infrequency of railroad strikes may be attributed to the almost perfect control of the head officials of the brotherhoods over their membership.



## XII

# THE KNIGHTS OF LABOR AND THE AMERICAN FEDERATION OF LABOR

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## XII

### THE KNIGHTS OF LABOR AND THE AMERICAN FEDERATION OF LABOR

PRIOR to the Civil War national trade unions in the United States multiplied without any corresponding success in the formation of enduring alliances among them. Labor federations, when they existed, were local in character. Thus the General Trades Union of the City of New York, organized in 1833, was a federation composed of the trade unions of that city.<sup>1</sup> On January 8, 1834, the General Trades Union of Boston was organized upon the same general lines as the New York federation, and shortly thereafter similar organizations came into existence in Philadelphia and Baltimore. In 1866 certain representatives of organized labor assembled at Baltimore and formed the National Labor Union, with the establishment of the eight-hour working day as its chief aim. In 1867, and again in 1868, this organization held conventions and displayed considerable vigor; but active participation in the national campaign of 1872 created internal dissensions and the Union soon ceased to exercise any large influence. A convention including representatives from several national and international unions met in Cleveland, July 15, 1873, for the purpose of starting a movement for a national federation similar in scope to the National Labor Union. Though a declaration of principles and a constitution were adopted, the Industrial Brotherhood, as the new federation was called, possessed little vitality and soon disbanded.

In the general industrial depression of the early seventies, union after union was forced to disband. The system of low dues and slight benefits, now universally condemned as a trade-

<sup>1</sup> Ely, "The Labor Movement in America" (New York, 1890), pp. 43-44; Burke, "Central Labor Unions" in *Columbia University Studies*, Vol. 12, pp. 28-30.

union policy, was then general, and hard times found the labor forces unprepared for the emergency. With industrial revival, the labor world again moved towards organization. The experiences of the unions during the depression suggested the need of a strong inter-trade alliance supplementary to the local and national trade unions then existing, and the order of the Knights of Labor undertook to supply this need. This organization, the first successful national federation of labor in the United States, had its genesis in a local union or "assembly" of garment cutters, formed in Philadelphia in 1869. With increase in the number of local assemblies a desire arose for a body which should represent all the local unions in a certain district. Delegates were sent to a common meeting place and a "district assembly," designated thereafter as District Assembly No. 1, was organized to further the interests of the local assemblies under its jurisdiction. This plan proving successful, other district assemblies were formed whenever the number of local assemblies in a new field justified a federation.

On August 2, 1877, a circular from District Assembly No. 1 was sent to all officers and members of the Knights of Labor notifying them of a convention to be held in Reading, Pa., on January 1, 1878, for the purpose of forming a "general assembly," and establishing a central resistance fund, a bureau of statistics, and a system of revenue to aid in the work of organization. In response to the call thirty-two delegates assembled, formed a representative organization with a strongly centralized control, and after deliberation adopted as the name of the body so constituted—"General Assembly of the Knights of Labor of North America."<sup>1</sup> In the next three years, the Knights of Labor,—although in full accord with the ideals of the general labor movement,—developed along lines unmistakably opposed to the traditional principle of trade unionism, viz., trade autonomy. It placed in the hands of the General Assembly "full and final jurisdiction in all matters pertaining to the local and district assemblies."<sup>2</sup> The district

<sup>1</sup> "Proceedings of the Knights of Labor Convention, 1878" (n. p., n. d.), p. 3.

<sup>2</sup> "Constitution of the General Assembly, 1878," Article 1, sec. 2.

assembly in turn possessed power within its district "to decide all appeals and settle all controversies within or between local assemblies."

The Federation of Organized Trades and Labor Unions of the United States and Canada was formed in 1881. The Federation was planned as a labor confederacy which might admit local assemblies of the Knights of Labor on an equality with trade unions. The call for the first convention held in Pittsburg, 1881, read in part: "We have numberless trades unions, trades' assemblies or councils, Knights of Labor and various other local, national, and international labor unions. But great as has been the work done by these bodies, there is vastly more that can be done by a combination of all these organizations in a federation of trades." In adopting the name "Federation of Organized Trades and Labor Unions" the representatives to the congress made a direct concession to the same end. In the first congress of the new federation, the local assembly of the Knights of Labor and the trade union were both represented, and it was understood that each should maintain its own organization and work in harmony with the other for the federation of all labor units.<sup>1</sup> But when the respective positions of the two federations became more sharply defined, radical differences appeared. In principle there was no inherent antagonism, since the work of one might very well have supplemented that of the other, but in practice disagreements constantly arose.

The two organizations differed much in government and structure. The first local assembly of the Knights organized in 1869 consisted originally of garment workers. A few months later, October 20, 1870, the first person not a garment cutter was initiated into the order, and thenceforth the unit in the federation changed from a trade union in the strict sense, to a new type, the "mixed assembly," having as its primary concern the interests common to all productive workers, and not the interests of a craft. The "mixed" assembly sought to gather into one association all branches of honorable toil, without regard to nationality, sex, creed, or

<sup>1</sup> "Report of the First Annual Session of the Federation of Organized Trades and Labor Unions, 1881" (Cincinnati, 1882), pp. 8-10.

color.<sup>1</sup> This principle guided the organizers<sup>2</sup> in their field work, and was largely responsible for the remarkable growth of the order in the next few years.

On the other hand, the primary unit in the system of organization upheld by the Federation of Labor was the local trade union, composed of artisans following a single vocation, and attached to a national trade union. An exception occurred in the case of locals directly affiliated with the Federation, but this class formed a minor division and need not seriously qualify the main statement. In his report to the convention of 1900 the president said, "The formation of one local union placed under its proper jurisdiction, is of greater consequence and importance to the safety and progress of the labor movement than the issuance of twenty charters for local unions to be affiliated directly with the American Federation of Labor." The founders of the Federation accepted the abstract principle of a common labor cause advanced by the Knights, but held that the mechanism through which the interest of all could best be promoted was the craft union. The opponents of the autonomous system claimed that the trade union seeks exclusive privileges in its particular field at the expense of those engaged in other branches of industry. Although these differences marked in general the broad distinction between the two federations, in special cases they faded away. For instance, it was common to find a local assembly of the Knights of Labor composed exclusively of workmen of one trade wherever conditions were unfavorable to the mixed assembly. Similarly the organizers of the American Federation often found it necessary to form into one local union workers of miscellaneous crafts. "Federal Labor Unions," analogous in composition to the mixed assemblies of the Knights, were organized in those localities where numbers did not justify the existence of trade unions. As soon, however, as a sufficient number belonging to one craft was gathered together, a new local trade union recruited from the membership of the mixed union was formed. The trade local in turn joined the national union of its craft wherever the chance

<sup>1</sup> "Constitution for Local Assemblies of the Knights of Labor, 1884."

<sup>2</sup> "Constitution of the General Assembly, 1879," Article 2, sec. 1.

presented itself. The same policy is followed at the present time. According to the latest (January, 1905) report of the American Federation, there are 1181 local trade and federal labor unions directly affiliated with the national Federation. In each case, however, the irregular grouping was considered an exceptional form.

The difference noted in the primary divisions appeared to a larger extent in the federate grouping. The district assembly, comprising the local assemblies of the Knights of Labor in a given locality, corresponded to the central labor union or federation of trade unions. Before the Knights of Labor movement, the life of these central organizations was ordinarily brief. After a stormy experience of personal jealousies, political affiliations, and trade jurisdiction disputes, such associations commonly fell apart. As the Knights of Labor grew, many of these weak central labor unions were reorganized as district assemblies with large powers. A little later, under the organization of the American Federation of Labor, they came to hold a less important position, and retained merely advisory powers with little actual authority. In 1881, ten city federations were represented in the convention of "Organized Trades and Labor Unions." In 1904, the president of the American Federation of Labor reported 569 central labor unions affiliated with that organization.

During the first ten years of the history of the Knights of Labor movement, the Knights made no provision for organizations similar to national trade unions. In the early eighties a reaction toward the old individual craft organization made necessary the recognition of national trade assemblies as an important subdivision.<sup>1</sup> At this juncture the cherished principle of the unity of all labor interests was subjected to severe test. Mixed assemblies were found too extensive in their sympathies, and the natural desire for meetings where members of one craft could discuss questions primarily of importance to the trade reasserted itself. Furthermore, the organization of industrial forces on a national scale made more pressing the need for national labor organizations along trade

<sup>1</sup> "Constitution of General Assembly, Order of the Knights of Labor, 1884," Article 12, sec. 1, p. 22.

lines. As an immediate result, "national trade assemblies" closely analogous to the national trade union emerged.

Under the law enacted by the General Assembly at the convention of 1882, there were two methods by which any craft within the Knights of Labor could organize as a national trade assembly of the order, and gain autonomy over trade affairs, preserving, however, close association with other branches of organized labor. The first was in accordance with an amendment to the constitution which permitted five or more trade locals to petition the executive board to call a convention for the purpose of forming a trade district.<sup>1</sup> The members of any trade could organize nationally under this provision by bringing local assemblies situated in all parts of the country under a common supervision. Under this provision, the National Harness, Saddle and Collar Makers' Union in 1883 was formed as a national trade assembly.<sup>2</sup> The second method was used where trades were organized in several local assemblies under the same district assembly. In such cases each trade could form a council composed of three delegates from each local assembly. To this council all trade matters were referred independently of the district assembly to which the respective local assemblies were attached. Carrying this formation a step farther, the law provided for national trade councils which could carry on the work of local councils on a large scale.<sup>3</sup> Thus, trade locals in all parts of the United States and Canada might continue under their respective district assemblies or be attached to the General Assembly as the case might be, and obtain the additional advantage of having their trade problems considered by representatives of their own craft. In 1887, when the reaction toward organization by trades had fully set in, the general secretary-treasurer reported that there were twenty-two national trade assemblies in the Order. Thereafter, organized labor in the United States tended to form national trade unions, which either remained independent or became affiliated with the American Federation of Labor.

<sup>1</sup> "Proceedings of the General Assembly, 1882" (n. p., n. d.), p. 364.

<sup>2</sup> *Journal of United Labor*, July, 1883.

<sup>3</sup> "Proceedings of the General Assembly, 1882" (n. p., n. d.), p. 368.

The national trade assembly and the national trade union differed in one important respect. The national trade assembly was entirely subordinate to the General Assembly, the highest tribunal of the Order; the national trade union stood independent, acknowledging a nominal allegiance to the American Federation only as a concession to the larger aims of labor. The nearest approach to authority exercised by the American Federation occurs in jurisdiction disputes between national trade unions, where the Federation acts in a judicial capacity. The officials of the Federation assert that one of the strongest elements in the success of the organization has been the absence of any attempt to exercise power over the national unions. The real bond of union, according to this opinion, is the good will and confidence of the constituent members.

The activity of the two federations in carrying out their respective plans of organization, as outlined above, resulted from time to time in serious conflict. In theory, any agreement whereby one federation with its branches subordinated itself to the other would have prevented discord. For instance the Knights of Labor might have affiliated with the Federation of Labor on an equality with national trade unions. But personal enmity among the leaders, who steadily refused to concede recognition to the rival federation, made a permanent understanding impossible. A circular issued by authority of the 1882 convention of the Federation of Organized Trades and Labor Unions declared: "The open trades unions, national and international, can and ought to work side by side with the Knights of Labor, and this would be the case were it not for men over zealous or ambitious. Each should understand its proper place and work in that sphere." As each persisted in its efforts to include all wage-earners, the circles of activity intersected, with the consequence of dual authority on the part of the federations and divided loyalty on the part of the individual members.

The American Federation, profiting by the experience of earlier federations, from the beginning resolutely opposed dual organization in any trade. It was claimed that if an exception were made in favor of the Knights of Labor assemblies,

a dangerous precedent would be established and the existence of trade autonomy imperilled. Where dual affiliation did exist, for example, in the printing, hat, cigar, and brewing industries, it was seen that strict trade autonomy could not be maintained. The opposition to the national trade assembly of the Knights, in particular, arose not so much from the lack of trade autonomy as from the persistent attempts of the officials to organize assemblies of trades having a national or international union. The Knights of Labor, on the other hand, having in mind the absolute control which the General Assembly had over all branches in case of dispute, were anxious to secure as members, persons already belonging to local and national trade unions. In carrying out this policy, the Knights were led into serious conflict with the national trade unions. Among other organizations affected in this way was the Bricklayers and Masons' International Union. The national secretary of this union in an official statement (October 1, 1886) voiced the sentiment of the trade unionists: "We claim that any district assembly of Knights of Labor masons, in or near a locality where a branch of our organization exists, is a direct injury to the advancement of our craft, for we claim and demand that all men following a distinct calling having a national or international trades union in existence should be required to join the order of his calling and no other, so that all may be members of a parent organization."<sup>1</sup>

The disputed questions were discussed at repeated conferences, the American Federation adhering throughout to its original stand against dual affiliation in trade organization. At a meeting held in Philadelphia, 1886, between representatives of the Knights of Labor and of the national trade unions, the latter proposed as the basis of an adjustment: "The charter of any Knights of Labor Assembly of any trade having a national or international union shall be revoked, and the members of the same be requested to join a mixed assembly or form a local union under the jurisdiction of their national or

<sup>1</sup> "Reports of the President and Secretary of the Bricklayers and Masons' International Union of America for 1886" (Washington, n. d.), p. 105.

international union.”<sup>1</sup> Renewed efforts were made from time to time to reach an amicable settlement. In 1889, and again in 1891, the proposition was restated by the Federation with slight modification of terms. The American Federation of Labor promised in 1889, that should the Knights of Labor “discountenance and revoke the charters of all trade assemblies or districts within the Order, the Federation would agree to urge its members and all working people to become members of mixed assemblies of the Knights of Labor.” The adoption of this plan would have given the national unions, affiliated with the Federation, complete control over their respective fields in all trade matters, and would have left to the local and district assemblies of the Knights of Labor the work of intellectual, social, and political improvement. In other words, the Knights of Labor, divested of all trade authority, would have become the central reform bureau of the labor movement. The Knights of Labor, however, refused to accept the terms proposed, and the Federation decided at the annual convention of 1894: “No meeting or conference with the Knights of Labor officials shall be held until they declare against dual organization in any one trade.”

The opposed principles of the two organizations met sharply in a single issue,—the mutual recognition of working cards. The matter was vital to each organization. If the Federation and the national trade union did not recognize the mixed assembly and the trade assembly as *bona fide* locals, then the members were not union men and could not work with union men in closed shops. On the other hand, if the working card of the Knights of Labor were respected by the trade unions, the members by that act gained status as union men, and the Federation practically lost its fight for trade autonomy. In 1886, at a conference with the trade unions held for the purpose of “discussing past grievances, and to pave the way for the avoidance of future ones,” the Knights of Labor proposed the mutual exchange and recognition of working cards—“the card of any member of the Order admitting him to work in any union shop, and the card of any

<sup>1</sup> “Proceedings of the General Assembly, 1887” (n. p., 1887), pp. 1444-1447.

union man admitting him to work in any Knights of Labor shop."<sup>1</sup> The Federation of Labor refused to concede this position on the ground of self-preservation, since blacklisted and expelled members of trade unions or even men hostile to trade unionism, could be initiated into the Order, and the trade unions would thereafter be obligated to accept the cards of these non-union men. Even though the Knights of Labor denied such an intention, the constitutional power to do so was present and remained a menace so long as the standards of the two federations with regard to union membership were different.

On the other hand, the Knights of Labor suffered if the mutual recognition of working cards failed. Where a temporary alliance of forces was necessary, as in a sympathetic strike, the Knights could hardly be expected to work shoulder to shoulder with unionists, if at the conclusion of the struggle the trade unions could boycott the assemblies belonging to the Order by refusing to recognize the working card. The unfavorable attitude of the Federation meant little to the Knights in 1886 when the Order was strong and influential. With the growth of the trade-union spirit within the Order and the corresponding decline of the mixed assembly, the question became more serious. No adjustment or compromise was ever reached, and it was only when the Knights of Labor ceased to hold an important position in the labor movement that the question at issue between the organizations practically settled itself.

From this review of the structural differences between the two federations, attention can now be turned to a comparison of their respective activities in certain typical fields. This will involve a survey of the policies of the two organizations with respect to (a) the union label, (b) coöperation, (c) strikes and boycotts, (d) the reduction in the length of the working day, (e) politics and legislation.

*The Union Label.*—The union label was first used by a local cigar makers' union in San Francisco in 1874 to dis-

<sup>1</sup> "Proceedings of the General Assembly, 1887" (n. p., 1887), p. 1446.

tinguish American-made cigars from the work of Chinese competitors. Local assemblies of cigar makers were active in the Knights of Labor as early as 1882,<sup>1</sup> but apparently the use of the label did not at first cause any difficulty between the assemblies and the unions. The *Journal* of the Knights of Labor declared in November, 1882, "Both organizations, the Knights and the Cigar Makers' International Union have a common purpose in trying to protect the product of union labor." Unfortunately, however, while the Cigar Makers' Union had adopted a blue label as the stamp of union goods, the Knights of Labor, wishing a distinctive mark, chose a white cigar label to circulate side by side with the blue label of the Union. Largely as a result of this policy, harmony soon gave way to a keen competition between the two organizations, growing more and more intense until it became bitter rivalry and open conflict. The general principle at issue in the controversy was the right of the Knights of Labor to organize whom they pleased, since the Cigar Makers' Union objected to the initiation into the Order of workmen who had been branded as unfair by the Union.

It was claimed that early in 1886, during a lockout by manufacturers in New York City in consequence of a strike against a reduction of wages, certain cigar factories involved had been organized by the Knights of Labor. Similar acts of hostility, the Union asserted, had been committed at Milwaukee and Syracuse.<sup>2</sup> Notwithstanding a promise made by the general executive board of the Order to investigate the charges as soon as opportunity would permit, and to revoke the charter of the offending assembly if the statements proved correct, the Cigar Makers ordered a boycott against all cigars bearing the label of the Knights and endeavored in every possible way to discredit the Order. In a letter to the general master workman of the Knights dated March 6, 1886, the president of the Cigar Makers' International Union said:

<sup>1</sup> "Proceedings of the General Assembly, Knights of Labor, 1882" (n. p., n. d.), pp. 374, 375.

<sup>2</sup> "Proceedings of the General Assembly, Knights of Labor, 1886, Special Session" (n. p., n. d.), pp. 30, 50.

"I consider the action of your organizers in New York City a bold and unscrupulous attack upon recognized trade-union principles, and as hostile to the Cigar Makers' International Union in particular." In retaliation, the General Assembly in 1886 adopted a resolution ordering all employees in the cigar trade, who were members both of the Knights of Labor and of the Cigar Makers' International Union, to withdraw from the Union or leave the Order.<sup>1</sup> This resolution marked a turning point in trade-union history in that it gave a determining impetus to the movement already strong from the Knights of Labor assembly in the direction of the autonomous trade union. The Order discovered its mistake as soon as the convention of 1886 had adjourned, and at the following convention endeavored to correct the error by the following amendatory action: "Resolved, That members expelled from the Order by the mandate adopted at the Richmond General Assembly concerning members belonging to the Cigar Makers' International Union be reinstated without paying initiation fees or back dues, and that all local assemblies are hereby ordered to place in good standing all members expelled by said order."<sup>2</sup>

Throughout the controversy between the Knights of Labor and the Cigar Makers, the Federation of Labor exerted its influence in favor of the Union. If the Federation had recognized the label of the Knights of Labor, the Order would have been virtually granted full rights as a union, and vested with coördinate authority in the conduct of trade matters. The proposed "treaty" of 1886 contained the provision that "the Knights of Labor shall not establish or issue any trade mark or label now issued, or that may hereafter be issued by any national or international trade union."<sup>3</sup> The Knights of Labor, however, regarded itself as a pioneer in the use of the label and refused to part with its independent use. At sub-

<sup>1</sup> "Proceedings of the General Assembly, 1886" (n. p., 1886), pp. 137, 138, 200, 282.

<sup>2</sup> "Proceedings of the General Assembly, 1887" (n. p., 1887), pp. 1733, 1822.

<sup>3</sup> *Ib.*, p. 1446.

sequent conferences between representatives of the Knights of Labor and the American Federation, the two organizations insisted on their respective demands without definite result.

The methods employed by the two organizations in extending the use of the trade label have been largely influenced by their structural differences. The Knights of Labor, highly centralized, have been able to require the issue of labels from headquarters, and to vest the general executive board with complete control over their distribution. Thus the constitution (1901) of the General Assembly provides (Art. 4, sec. 19): "The general executive board shall take charge of and regulate all seals or protective designs to be distributed to members of the Order, in such form as will be of service in protecting the products of their labor, and shall prescribe such rules and regulations as it may deem necessary for the use of the same; and no assembly or other branch of the Order under penalty of forfeiture of charter shall indorse or sanction the use of any seal or design not issued or indorsed by this board." The general executive board of the Knights of Labor in 1884 adopted a general label to be used upon all goods manufactured or sold by members, but this device was soon replaced by individual trade labels. While the General Assembly has never declined to ratify the use of distinctive trade labels, it has always required that each must bear also the mark of the Order,—a triangle within a circle.

The American Federation, on the other hand, has made no attempt to control the labels of national and international unions, merely indorsing and advocating those already adopted by the different trades, urging all union men to demand goods having the union stamp, and assisting in the formation of active label leagues to aid in educating the consuming public in the nature and appearance of trade labels. Only the labels used by local and federal labor unions, directly attached to the American Federation, are under the control of the Federation. The Federation has from time to time considered the adoption of a universal label as a means of gaining uniformity and more particularly of preventing counterfeiting. In 1900, the officials of the Federation obtained a legal opinion, to the effect that if all unions would

surrender their labels and adopt that of the Federation of Labor as the authorized one, counterfeiting could be more readily punished by law. Inasmuch as this would involve the surrender by each union of some part of the very trade autonomy for which the Federation has always contended, and the recognition of the sovereignty of the Federation, at least for the purpose of "issuing, controlling, protecting, and defending the universal label,"<sup>1</sup> the step has not been taken.

*Coöperation.*—It is clear that the founders of the Knights of Labor conceived an ultimate industrial system in which workmen should be their own employers. For inaugurating the coöperative commonwealth, the structure of the Knights of Labor was far superior to that of the rival federation. The mixed assembly comprised men in many walks of life, and largely controlled demand as well as production. If a trade local embarked in a coöperative enterprise, only a limited number of consumers were directly concerned; but when a mixed local in a community organized into Knights of Labor assemblies ventured on independent production, the collective patronage affiliated therewith assured a market. Two schools of thought early differentiated themselves in the Knights of Labor. The one advocated an aggressive policy of strikes in order to enforce demands. The other, representing the conservative element, emphasized the futility of strikes as a factor in attaining permanent reform. It was due to the influence of the peace adherents that coöperation found persistent encouragement. In June, 1882, a coöperative fund was established and a coöperative board was created for the purpose of encouraging and conducting coöperative enterprise. Investments were made and enterprises started as the financial condition of the Order justified. The compulsory nature of the law, however, provoked serious opposition and contributions were soon made voluntary.<sup>2</sup> With smaller resources, the officials thereafter sought to realize at least in some degree the in-

<sup>1</sup> *American Federationist*, December, 1900, pp. 376-377; "Report of Proceedings, American Federation of Labor, 1900" (Louisville, 1900), p. 20.

<sup>2</sup> "Constitution of the General Assembly, Knights of Labor, 1884," p. 16.

dustrial state conceived as the ultimate aim of the movement. Experiments in coöperative stores, factories, and institutions, were reported in 1882 from seventeen localities of the one hundred represented;<sup>1</sup> in 1887, the general coöperative board announced that eight halls and buildings were owned, and that eleven newspapers and fifty-four workshops, factories, etc., were engaged in productive coöperation.<sup>2</sup> The general result of such ventures was disappointing, leading to increasing reluctance to embark on independent undertakings and even to a desire to abolish the coöperative board.

Probably the chief cause of failure was the lack of business experience in the management of the coöperative enterprises. Such undertakings ordinarily originated in a strike or lock-out, where men entered upon the project with funds drawn from the central treasury. As soon as the trouble ceased, and the choice arose between a certain position and participation in a risky venture, the enthusiasm so apparent at first abated, often bringing a total loss upon the General Assembly. The small confidence placed in the managers, engendering jealousies and constant suspicion, and the opposition met on all sides from capitalist producers, may also be cited as important influences in the business failure of the Knights. The most ambitious venture of the Knights of Labor in coöperation took place in 1884, when a coal mine at Cannellburg, Ind. was purchased for \$10,000. An assessment of 20 cents per member was levied in October, 1884, for the purpose of making improvements. The general secretary in his report to the eleventh session of the General Assembly, 1887, said: "Among the receipts of the office will be shown in the neighborhood of \$2000 received from the Union Mining Company on account of the Cannellburg Coal Mine. We shall all be glad to learn that the investment of more than \$20,000 instead of being a dead loss bids fair to be a source of income to the Order." Misfortunes, however, came in rapid succession, until in 1897,

<sup>1</sup> "Proceedings of the General Assembly, Knights of Labor, Sixth Regular Session, 1882" (n. p., n. d.), p. 291.

<sup>2</sup> "Proceedings of the General Assembly, Knights of Labor, Eleventh Regular Session, 1887" (n. p., 1887); "Report of the General Coöperative Board."

the general executive board decided to sell the mine for \$4000.

The ideal of coöperation as conceived by the Order included the establishment and maintenance of industrial peace by bringing both employers and employees into a single organization. Though this ideal likewise was not realized, it explains the readiness with which the Knights so often consulted the wishes of the employers, and the willingness with which the Order joined hands with one organization of employers,—The Farmers' Alliance. The American Federation of Labor on the other hand made no attempt to become an employer through coöperative enterprise, and even refused to organize farmers into unions on the ground that they were employing farmers and not workmen.

*Strikes and Boycotts.*—The Knights of Labor in principle have stood consistently for the arbitration with employers of all grievances. The preamble to the constitution adopted by the General Assembly in 1878 favored "the substitution of arbitration for strikes, whenever and wherever employers and employees are willing to meet on equitable grounds;" and the preamble to the constitution of 1884 included as one of its demands, "the enactment of laws providing for arbitration between employers and employed, and to enforce the decision of the arbitrators." In the event of arbitration failing, the boycott was regarded as the most effective weapon of labor. The same width of organization that facilitated the distribution of coöperative products enabled the Knights to make effective use of the boycott. Designed as a temporary expedient, this device was regarded as more effective than the strike, without involving the suffering attendant upon all protracted struggles. In the use of the boycott, the inter-trade form of labor organization enjoys a peculiar advantage. A trade union in any locality may cease purchasing an article without appreciably reducing its sale, since the proportion of consumers belonging to any single union is necessarily small; but an assembly of the Knights of Labor supported by a large part of the consumers in the vicinity wielded an influence proportional to the purchasing power of all the members interested. More important

still, under the centralized power by which the General Assembly controlled the subordinate divisions, the observance of a boycott might be strictly enforced on all members, since any assembly refusing to obey an order issued by the general executive board was guilty of insubordination and might be suspended. In actual practice, however, the general executive board, which had authority to place a boycott, usually depended on the voluntary action of the membership. Circulars containing a full statement of the case were sent to the local assemblies, with the request that they be read at successive meetings to acquaint the members with the facts. In some cases, pressure was brought to bear on retail dealers who were accustomed to handle the goods manufactured by the boycotted firm.<sup>1</sup>

The American Federation of Labor has paid considerable attention to the exercise of the boycott. The usual method employed in placing a boycott is as follows: National unions having grievances against employers send resolutions to the headquarters of the American Federation of Labor. The committee of the Federation whose duty it is to investigate the justice of the complaint, reports to the executive council or to the annual convention if in session. In case of a favorable report, a boycott is declared on the products of the firms involved, and the names of the manufacturers are published monthly in the "unfair list" of *The American Federationist*, the official journal of the American Federation of Labor. In addition to placing the firms on the "unfair list," circulars requesting all union men to cease purchasing the products of the boycotted firms are sent to the unions composing the Federation. At the present time the national officials exercise considerable care in the use of the boycott, and limit the number of firms on the "unfair list" in order that the boycott may be concentrated.<sup>2</sup>

At their fourth convention in Pittsburg, 1880, the Knights of Labor declared: "Strikes are as a rule productive of more injury than benefit to the working people, consequently all

<sup>1</sup> *Journal of United Labor*, February 11 and 25, 1888.

<sup>2</sup> "Report of Proceedings of the American Federation of Labor, 1904" (Washington, 1904), p. 85.

attempt to foment strikes will be discouraged." The general master workman in his address to the sixth regular session of the General Assembly in 1882 said, "A strike cannot remove or repeal unjust laws, for at best the strike secures but a temporary relief; it may result in an advance of wages, but if so it is a dearly bought victory, and at the first available opportunity another reduction is imposed." At that time no provision for strikes appeared in the constitution of the General Assembly; but as the Order came, with its growth, more and more into touch with practical affairs, periodic strike fevers swept over the membership and strike regulations became necessary. In the constitution of 1884 district assemblies were authorized "to adopt rules and regulations in regard to strikes" and district executive boards were given power to accept or reject the terms of settlement offered by employers.<sup>1</sup> Moreover, a district assembly, having ordered a strike of any local in its jurisdiction, was permitted to draw upon the funds of other district assemblies whenever its assistance fund had been exhausted.<sup>2</sup> The amount received in this way from different assemblies was considered a loan without interest, to be repaid as soon as possible.

The new strike spirit did not confine itself to inaugurating trade or local strikes. Strong influences were at work to convert the Order into an aggressive militant organization. Accepting the motto, "An injury to one is the concern of all," in the literal sense, the newly initiated element sought to widen the area of every strike by ordering out all employees of an offending employer. The Knights of Labor were well organized for undertakings of this character, controlling as they did all trades, and vesting in the General Assembly the right to order all subordinate divisions on strike whenever the situation justified such action. The disastrous end of the strike on the Missouri Pacific railroad system in 1886 brought the advocates of sympathetic strikes into temporary discredit. Resolutions were adopted at the special session of the General Assembly in 1886, forbidding any local, trade, district, or

<sup>1</sup> "Constitution for District Assemblies, K. of L., 1884," Article 7, secs. 1, 2.

<sup>2</sup> "Constitution of the General Assembly, 1884," Article 15, sec. 6.

state assembly to declare a strike before a secret ballot had been taken of all the members in good standing and in no case permitting a strike unless two-thirds of those immediately concerned voted in favor of it.<sup>1</sup> In two other instances,—the Longshoremen's strike of 1887 and the Reading Railroad strike of 1888—the Knights of Labor tried the expedient of the sympathetic strike on a large scale, and each time failed to obtain their demands. Though the machinery for declaring sympathetic strikes remained, the Order thereafter accepted the general verdict that federation activity in the form of sympathetic strikes was unprofitable.

The American Federation of Labor has from the outset regarded strikes as the necessary means to gain trade-union ends under a system of capitalistic production. Being merely an advisory centre, and depending upon the support of trade unionists working through their respective national unions, the Federation has been unable to act positively or directly with respect to strikes. It has recommended certain policies such as the system of high dues and benefits, but it lacks the power to control strikes, so prominent in the Knights of Labor. Consequently, the Federation, fully aware of this limitation and profiting by the costly experience of its contemporary, has followed a conservative course in the various conflicts between employers and employees, and has acted only as a source of moral and financial support to the national unions involved. While sympathetic strikes are not opposed by the Federation, and the various national trade unions are urged, on occasion, to assist other unions, the Federation holds it as a principle that the amount and character of assistance must be left to the judgment of each union. Strict adherence to this position limits the activity of the Federation to the collection and distribution of financial assistance to striking unions. It claims no power to call sympathetic strikes.

*Reduction in the Length of the Working Day.*—In the original platform of the Knights of Labor, one of the most prominent of the expressed aims of the Order was, "The reduction of the hours of labor to eight per day, so that the

<sup>1</sup> "Record of Proceedings of Special Session of the General Assembly, 1886" (n. p., n. d.), p. 49.

laborers may have more time for social enjoyment and intellectual improvement, and be enabled to reap the advantage conferred by the labor-saving machinery which their brains have created." At the eleventh session (1887) of the General Assembly, the following was adopted: "Resolved that the general master workman confer with the heads of international and national labor organizations with a view to holding a convention to bring about the adoption of the eight-hour law by a gradual reduction of the hours of labor." Nothing of importance, however, resulted from this action. Although the Knights possessed a system of government well adapted for general movements, they never formulated a definite plan for the inauguration of the eight-hour day.

During the first few years of its history the Federation contented itself with mere pronouncements on the subject. At its second session in 1882 it declared: "The national eight-hour law is one intended to benefit labor and relieve it partly of its burdens. . . . We therefore demand the enforcement of said law in the spirit of its designers."<sup>1</sup> A resolution at the third session, 1883, stated that "the Federation considers the question of shortening the hours of labor as paramount to all other questions at present." In the secretary's report to the convention of 1884, a definite plan of action involving the leadership of the Federation in the eight-hour movement was strongly urged: "It appears to be the generally expressed desire of the societies represented in this Federation that it assume the initiative in a national movement for the reduction of the hours. Sporadic attempts of individual trades in certain localities have met with varying degrees of success, but there is little doubt that a universal centrally directed advance would prove both practical and triumphant." It was proposed, thereupon, that a vote be taken in all labor organizations before the next convention as to the desirability of a simultaneous and universal strike for the eight-hour day not later than May 1, 1886.<sup>2</sup> Realizing that the Federation was

<sup>1</sup> "Second Annual Session of Federation of Organized Trades and Labor Unions" (n. p., n. d.), p. 1.

<sup>2</sup> "Fourth Session of Federation of Organized Trades and Labor Unions, 1884" (Washington, 1884), pp. 19-20.

too weak both in authority and numerical strength to carry the project to a successful conclusion, the officials asked the coöperation of the Knights of Labor. The latter organization refused to indorse the movement, and the plan did not reach serious proportions. In 1888, a resolution passed the annual convention of the American Federation of Labor, fixing May 1, 1890, as the date for a general strike for the eight-hour day, and designating certain days in the interval on which simultaneous mass meetings in all cities were to be held. Another conference with the Knights of Labor for the purpose of forming a temporary alliance followed, and though the Knights again refused to participate in the movement, the Federation continued to make preparations for the struggle. As the date mentioned in the resolution approached, the officials sent circulars, pamphlets, and prominent speakers to different parts of the country.

In the meantime, the more conservative leaders urged that the movement would have a better chance of success if one trade was selected to make the fight, and supported by the combined powers of the other unions belonging to the Federation. They argued that the more comprehensive the strike, and the greater the numbers involved, the smaller the group of workers from which the strikers might draw financial aid. This judgment prevailed. It was determined to inaugurate in place of a general strike a series of successive trade strikes, one trade after another being selected according to strength and strategic position until all trades had obtained the eight-hour day. This policy has since been followed. In 1890, the Brotherhood of Carpenters and Joiners was selected by the Federation, and a special assessment was levied in support of the strike. As a result the Carpenters established the eight-hour day in several important cities. Other eight-hour strikes by various trades have been aided during the past fifteen years. At the twenty-fourth convention held in 1904 the American Federation indorsed the eight-hour movement of the International Typographical Union, and pledged both moral and financial support. The Federation further decided that if at any time after January 1, 1906, the Typographical Union needs financial assistance, the executive board shall levy

the constitutional assessment. The present predominance of the American Federation in the labor world makes it likely that the "successive strike" will continue to be the favored policy in carrying out general movements. There seems to be little doubt, moreover, that a series of trade strikes well directed and supported by the full strength of the working trade unionists will be more successful than a general strike, so long as a non-centralized organization like the American Federation maintains the leadership in the trade-union world.

*Politics and Legislation.*—The Knights of Labor and the American Federation of Labor have both recognized the advantages that a federation of trades has over separate trade unions in any reform movement involving political activity, and have shaped their respective policies accordingly. The two organizations have, however, employed different methods. The Knights of Labor as an organization was designed in the belief that the general interests of the labor world transcended the interests of particular crafts. Since general interests can be best promoted by political action, the Knights laid greater stress on political activity and aimed to bring into existence ultimately a labor party. On the other hand, the Federation holds that the best way to promote general aims is by each trade seeking zealously its own interests. Trade unionists regard the increase in the bargaining power of their members as the chief remedy in improving conditions. To right trade matters by confronting the employer with united strength is of more immediate concern to the trade unionists than any indirect gain from educational projects. Hence the trade unionist, without the larger social outlook enjoyed by the Knights of Labor in the mixed assembly, found a substitute in the discussion of trade topics with members of his own craft.

The position of the Knights of Labor was set forth by the general master workman in an address to the seventh session of the General Assembly: "One reason," he said, "why political parties degenerate is because the masses of the common people are not educated. If we were, we could more easily discern the difference between good and bad legislation; and we would not be clamoring so often for the repeal of bad laws. The chief aim of the Knights of Labor is to educate

parties and govern them intelligently and honestly." <sup>1</sup> In accordance with this view, education as a means to the larger end became an important branch of activity. The structure of the mixed local assembly of the Knights was well adapted to this function, since it included men of various callings and widely different walks of life. It was believed by the Knights that, where men of a single craft met apart from members of other trades, the class consciousness necessary for any decisive advance would be lacking. On the other hand, in their opinion an organization like the Knights, representing a highly centralized type of federation and disregarding the trade boundaries formerly observed, was well fitted to educate its members and promote a feeling of political solidarity among all classes of laborers. At the second regular session of the General Assembly a resolution was adopted, "that each local assembly shall devote not less than ten minutes nor more than one hour of each session thereof to the discussion of subjects bearing upon the labor question, such as convict labor, eight hours, child labor, how can the toiler receive a just share of the wealth he creates, etc." <sup>2</sup> The general executive board appointed lecturers from time to time who visited the assemblies and addressed them upon economic and social topics. In May, 1880, appeared the first number of the *Journal of United Labor* primarily designed as a medium of communication between the branches of the Order, and as a herald of advanced views.

The structure of the Knights of Labor, besides affording opportunity for the training of the individual in the study of social questions, was highly efficient for direct political action. Here again, the advantages of a centralized organization co-extensive with the domain of labor were marked. Trade unionists in their independent organizations were too weak numerically to change the result of an election, while the members of the Knights of Labor pledged to mutual helpful-

<sup>1</sup> "Proceedings of the Seventh Session of the General Assembly, 1883" (n. p., n. d.), p. 409. Quoted from an article which appeared in the Pittsburgh *Times* of July 16, 1883.

<sup>2</sup> "Record of the Proceedings of Second Regular Session of the General Assembly, 1879" (n. p., n. d.), pp. 28-29.

ness were numerous enough to control the outcome. With the advent of the Order, the belief that labor must carry its demands beyond the workshop, and crystallize into the statute law definite reforms, received greater attention among workingmen than ever before. The constitution of 1879 (Art. 10, sec. 1) laid down the principle of political activity in the following words: "A district assembly or a local assembly under the General Assembly may take such political action as will tend to advance the interests of the Order or the cause of labor. But when political action is contemplated, the regular business of the district assembly or the local assembly shall be concluded, and the district assembly or local assembly regularly closed. Local assemblies may properly use their political power in all legislative elections, and it is left to the discretion of each local assembly to act with that party through which it can gain the most. An assembly shall not take political action unless three-fourths of the attending members are united in supporting such action. No members, however, shall be compelled to vote with the majority." From 1880 to 1885 the intense interest manifested in political affairs produced a note of warning from headquarters: "So surely as we run into politics shall we be disrupted." Politicians, recognizing the political possibilities, joined the Order for the express purpose of converting it into a voting machine. In 1888, the Order was on the verge of taking active part in the national campaign, and escaped only through the conservatism of the general officers. In many localities, the secret but powerful membership of the Knights had elected labor candidates. So successfully had these municipal elections resulted that the rank and file became ambitious for larger victories. A party in which all reformers could find a place appeared a fitting substitute for the two corrupt, boss-ridden political organizations. Active agitation in 1890 stimulated a wave of enthusiasm which aided materially in the formation in 1892 of the National People's Party, with "land, transportation, and finance," as the campaign cry.<sup>1</sup> Pledged in this manner to political action, the Knights dissipated much of their

<sup>1</sup> *Journal of the Knights of Labor*, Vol. 13, No. 2.

energies in vain efforts to make industrial forces politically supreme, and internal dissensions resulted.

The American Federation has resisted all allurements to political action. This freedom from affiliation with political parties, however, has not been maintained without a struggle on the part of the ruling element in the Federation. The first convention, held in Pittsburg, recommended "all trades and labor organizations to secure proper representation in all lawmaking bodies by means of the ballot, and to use all honorable measures by which this result can be accomplished."<sup>1</sup> At every convention of the American Federation, and at almost every meeting of local and state federations, the same question has arisen in some form or other. Until the pressure upon the Federation to declare for independent action became strong, no positive declaration of political principles was made. The committee on resolutions at the convention of 1893 reported a political programme, the several planks of which were adopted separately with amendments at the convention of 1894. The convention of 1895, however, declared that "the failure to adopt the planks as a whole was equivalent to a rejection;" and therefore that "the American Federation has no political platform." But when the Socialist Labor Party sought admission into the American Federation of Labor, decisive action became necessary. The application of the Labor Party was rejected on the ground that no political party as a party had a right to be represented in the councils of the trade unions. Subsequent efforts on the part of radical trade organizations to commit the Federation to political principles were so persistent that the New York convention of 1895 declared, "Party politics, whether they be Democratic, Republican, Socialistic, Populistic, Prohibition, or any other, shall have no place in the conventions of the American Federation of Labor."<sup>2</sup> The most persistent attempts in the same direction since 1895 have been made by the socialistic element in the conventions of the American

<sup>1</sup> "Report of the First Annual Session of Federation of Organized Trades and Labor Unions, 1881" (Cincinnati, 1882), p. 4.

<sup>2</sup> "Constitution of the American Federation of Labor, 1896," Article 3, sec. 8.

Federation of Labor. In 1894 and 1902, the sentiment with regard to independent political action was fairly divided; but in the conventions of 1895, 1900, 1903, and 1904, resolutions with party political activity as their end were decisively defeated.

The Knights of Labor, although regarding legislative activity as secondary to the more direct policy of party political action, endeavored to forward labor legislation. The Cleveland session of 1886, for instance, adopted a resolution instructing the general master workman to appoint a legislative committee of three with headquarters at Washington during the session of Congress. The district and state assemblies used their influence in state legislatures. In the early years, the chief reward for this activity was not so much actual legislation, as a brighter outlook for future results. The preliminary work had a beneficial effect in making less difficult the subsequent task of the American Federation. Among the most important reforms advocated by the Knights were direct legislation, the initiative and referendum, bureaus of labor statistics, abolition of the contract system on national, state, and municipal works, compulsory arbitration, prohibition of child labor under the age of fifteen, and government ownership of telegraphs, telephones, and railroads.

As the American Federation wields little authority over the national unions, it has no way to command unity of sentiment on any political issue. The probable result of independent political action would have been internal strife with danger of complete disruption. The Federation chose therefore to advocate labor legislation in preference to participating as an organization in national and state elections. At the present time the American Federation lays great stress upon this function. Each convention delegates authority to the officials to center attention on special reforms. The executive council frames a bill embodying the necessary provisions, and champions its course until it either dies or passes successfully through the various legal channels. The legislative committee maintained at Washington is especially helpful in promoting this work. The chief legislative reforms advocated in recent years have been the national eight-hour law, Chinese exclusion,

the initiative and referendum, anti-injunction laws, and the abolition of convict and imported contract labor. In addition, the Federation from time to time has brought to bear influence to prevent legislation which might prove harmful to the labor interests. The Federation has thus opposed laws providing for compulsory arbitration and the compulsory incorporation of trade unions.

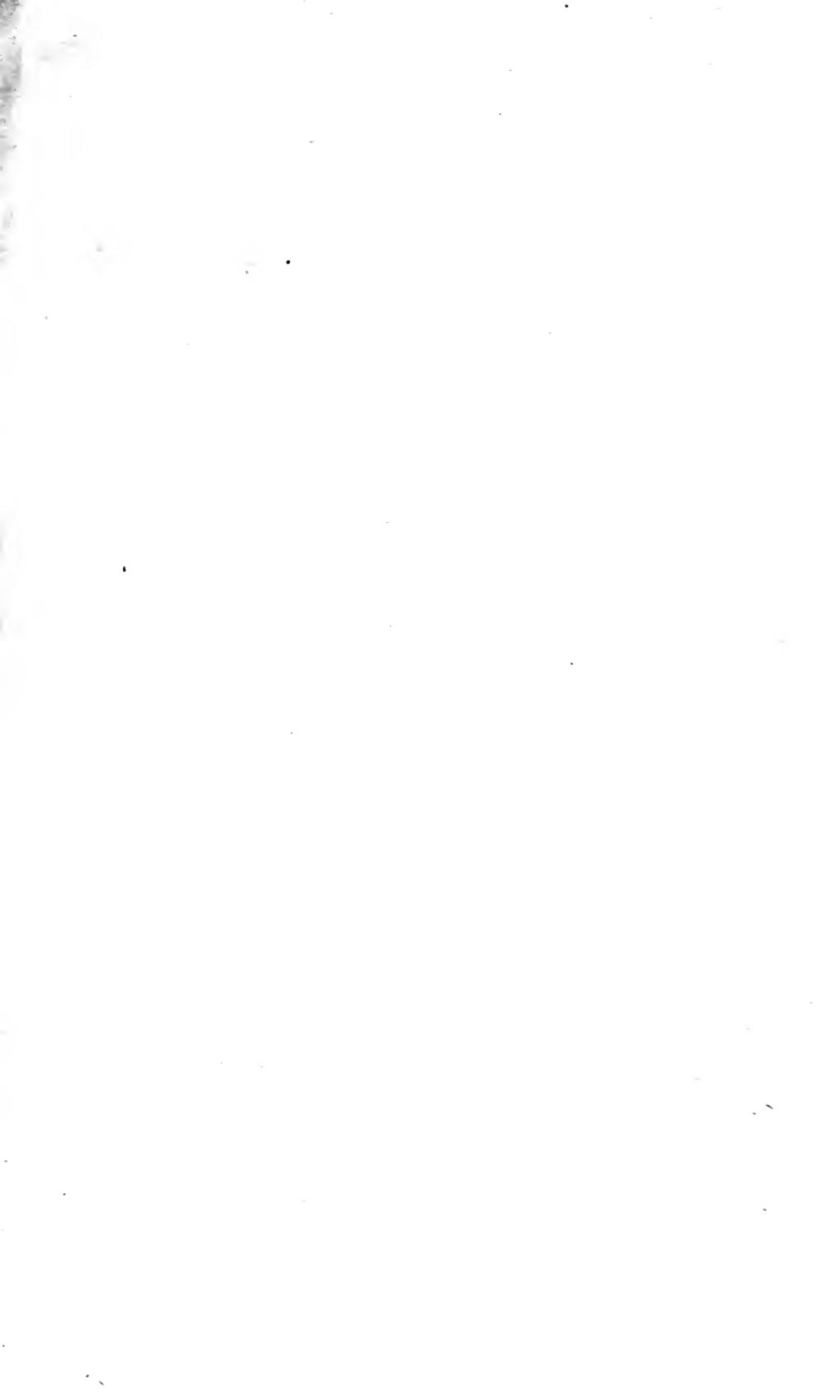
The state and city federations perform locally functions analogous to the functions undertaken at Washington by the American Federation. In 1904, there were thirty-two state federations and five hundred and sixty-nine city federations.<sup>1</sup> The more radical local federations hold as an ultimate goal "the abolition of the wage system and the substitution of collective ownership by the people of all the means of production and distribution." This socialistic element desires organized labor to take part as a unit in all state and local elections. The more conservative element, following the example of the national federation, desires to exclude party politics from the meeting rooms, and to direct the labor vote in the interest of those candidates who declare themselves favorable to reform measures. The local federation frequently obtains from candidates an expression of opinion on important issues. Men known to be opposed to organized labor are declared unfair, and often defeated by the combined strength of a central labor union. Marked activity is likewise displayed in watching legislation and advocating plans for industrial and social betterment. In a majority of cases, the prevalence of the more conservative sentiment accounts for the emphasis placed on labor legislation.

From a membership of 702,924 and an annual income of half a million dollars in 1886, the year of their greatest prosperity, the Knights of Labor have steadily declined in membership and power. Among the influences contributing to this result have been,—the complete failure of expensive sympathetic strikes, the activity displayed in political affairs, the presence of two distinct forms of organization in the Order—

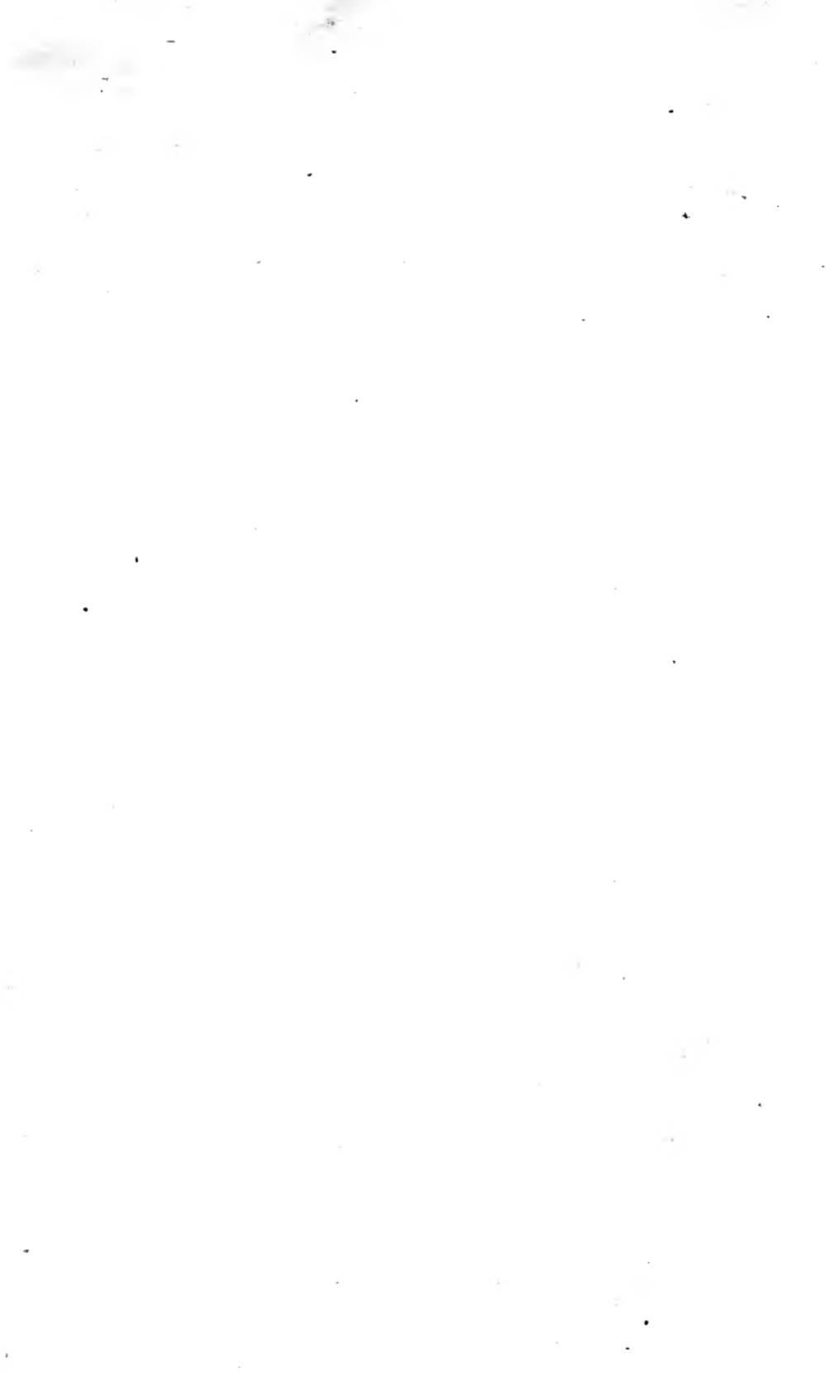
<sup>1</sup> "Proceedings of the American Federation of Labor, 1904" (Washington, 1904), p. 17.

the mixed district assembly and the national trade assembly—and finally, the over-centralization of power in the hands of the General Assembly and the national officers. The American Federation, on the other hand, has shown marked progress within the last twenty years. In January, 1905, the Federation had an enrollment of 118 national and international unions. The average membership of the affiliated unions for the year ending September 30, 1904, was 1,676,000. The treasurer reported to the twenty-fourth annual convention, 1904, an income of \$307,009.09 with total expenses of \$203,991.15. The Federation has advocated the individual trade strike in preference to the sympathetic strike; it has repeatedly placed itself on record as opposed to political action; it has advanced the principle of organization according to trades; and finally, by guaranteeing to each national or international union complete jurisdiction over its own trade, it has gained to a large extent the good will of the individual trades. So long as efficient leadership maintains this traditional conservatism, there is every reason to predict that the Federation will remain an important factor in the American labor movement.









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